

1           USCG/BOEM MARINE BOARD OF INVESTIGATION  
2           INTO THE MARINE CASUALTY, EXPLOSION, FIRE,  
3           POLLUTION, AND SINKING  
4           OF MOBILE OFFSHORE DRILLING UNIT  
5           DEEPWATER HORIZON, WITH LOSS OF LIFE  
6           IN THE GULF OF MEXICO 21-22 APRIL 2010  
7           Thursday, July 22, 2010

8                           \* \* \* \* \*

9           The transcript of The Joint United  
10          States Coast Guard/The Bureau of Ocean Energy  
11          Management, Regulation and Enforcement  
12          Investigation of the above-entitled cause,  
13          before Dorothy N. Gros, a Certified Court  
14          Reporter, authorized to administer oaths of  
15          witnesses pursuant to Section 961.1 of Title  
16          13 of the Louisiana Revised Statutes of 1950,  
17          as amended, reported at the Radisson Hotel,  
18          2150 Veterans Memorial Boulevard, Kenner,  
19          Louisiana, 70062, on Thursday, July 22, 2010,  
                beginning at 8:00 a.m.

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1 APPEARANCES:

MEMBERS OF THE BOARD:

2 CAPT HUNG M. NGUYEN, CO-CHAIR  
UNITED STATES COAST GUARD

3  
4 DAVID DYKES, CO-CHAIR  
THE BUREAU OF OCEAN ENERGY MANAGEMENT,  
REGULATION AND ENFORCEMENT

5  
6 JASON MATHEWS  
THE BUREAU OF OCEAN ENERGY MANAGEMENT,  
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7  
8 JOHN McCARROLL  
THE BUREAU OF OCEAN ENERGY MANAGEMENT,  
REGULATION AND ENFORCEMENT

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10 ROSS WHEATLEY  
UNITED STATES COAST GUARD

11 LTR ROBERT BUTTS, COURT RECORDER  
UNITED STATES COAST GUARD

12  
13 REPORTED BY: DOROTHY N. GROS, CCR  
CERTIFIED COURT REPORTER

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1 EXAMINATION: (CONT'D)

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3 Examination of SHANE ALBERS:

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1                   P R O C E E D I N G S

2                   CAPT NGUYEN:

3                   The board will call on Ms. Natalie  
4                   Roshto.

5                   \* \* \* \* \*

6                   NATALIE ROSHTO,

7                   after being first duly sworn in the cause,  
8                   testified as follows:

9                   CAPT NGUYEN:

10                  Before we begin asking you  
11                  questions the Board wants to express  
12                  our deepest sympathy for the loss of  
13                  your husband. We would like to let you  
14                  know that we are fully committed to do  
15                  all that we can to determine the cause  
16                  of this casualty and obtain information  
17                  that will prevent occurrence of similar  
18                  incidents. We would like to know if it  
19                  is okay for the Board members to refer

20 to your husband as Shane during our

21 questioning?

22 THE WITNESS:

23 Uh-huh (affirmative reply).

24 CAPT NGUYEN:

25 Thank you, ma'am.

1 MR. BICKFORD:

2 Captain, I am representing Ms.

3 Roshto.

4 CAPT NGUYEN:

5 Thank you, sir.

6 E X A M I N A T I O N

7 BY MR. MATTHEWS:

8 Q. Ms. Roshto, for the record could you

9 please state your full name and spell your

10 last?

11 A. Natalie Roshto, R-O-S-H-T-O.

12 Q. Thank you. When did Shane start

13 working at Transocean?

14 A. September of 2006, I think.

15 Q. At the time of the incident what was

16 Shane's position onboard the DEEPWATER

17 HORIZON?

18 A. He was a roughneck, floor hand.

19 Q. Did he hold any other positions outside

20 of -- prior to becoming a roughneck?

21 A. Yes.

22 Q. And what position was that?

23 A. He started out as an ordinary seaman.

24 He went from an ordinary seaman to a

25 roustabout and then from a roustabout to a

1 roughneck.

2 Q. Do you know when he became a roughneck  
3 on or about?

4 A. About a year, year and a half prior to  
5 the accident.

6 Q. Do you know what Shane's hitch schedule  
7 was for the DEEPWATER HORIZON?

8 A. Three weeks.

9 Q. Do you know when he was scheduled to  
10 come back from the DEEPWATER HORIZON?

11 A. He was actually supposed to -- if he  
12 would not have worked over with subsea he  
13 would have come home Wednesday, the 21st.  
14 April the 21st.

15 Q. If he had not stayed over with subsea,  
16 so he actually --

17 A. He was supposed to start working over  
18 Wednesday. His overtime would have started  
19 Wednesday.

20           Q. Do you know if Shane received any  
21           awards while he was working at Transocean?

22           A. Shane received an award in 2008 for  
23           spotting a dropped object. He stopped a job  
24           for spotting a dropped object and they awarded  
25           him for stopping a job and --

1 Q. How often did you speak to Shane about  
2 his job?

3 A. On a daily basis.

4 Q. When he was offshore as well?

5 A. Uh-huh (affirmative reply).

6 Q. Did you speak to him once, twice -- how  
7 many times a day when he was offshore?

8 A. Mostly just once a day.

9 Q. I provided your testimony that you gave  
10 to the committee in Congress. I'd like to --  
11 if you want to refer back to it -- I'm not  
12 going to ask you any detailed questions about  
13 it, but if there was some notes that were  
14 presented to the Congress that we may want to  
15 ask additional questions on. It indicated in  
16 there that you had talked to Shane on the day  
17 of the incident, is that correct?

18 A. Yes.

19 Q. Do you recall what you talked to Shane

20 about?

21 A. The matters on the rig.

22 Q. What was -- was anything specific,

23 unusual during those discussions?

24 A. The extensive loss of mud that they had

25 been losing. The kick backs they had had and

1 just the -- the atmosphere that he was working

2 in.

3 Q. And this phone call took place on the

4 20th?

5 A. Yes.

6 Q. Did he talk anything about the work

7 environment on the rig at the time?

8 A. It was just a little bit more high

9 pressure than it had been in times before.

10 Q. "High pressured"?

11 A. Uh-huh (affirmative reply).

12 Q. And did he say why it was more high

13 pressured or was there something specific

14 going on that he felt the pressure?

15 A. I think he felt the pressure because he

16 knew they were behind.

17 Q. Do you know who may have been applying

18 the pressure? Was it his --

19 A. He never specifically pointed.

20 Q. Do you know if Shane was having proper

21 sleep or was he being worked over or --

22 A. He was having adequate sleep I think.

23 Q. During your phone call with him was

24 there anything unusual that -- his tone or

25 anything that you could have indicated

1 something -- or was he told anything from  
2 anybody when he was talking to you?

3 A. He had -- when we talked at 10:30 the  
4 morning of the 20th, that was at 10:30 a.m., he  
5 had said that coming down the hallway he had  
6 been told by somebody that they had had a kick  
7 back that night. Now specifically he did not  
8 explain what the meant, he did not explain  
9 where, what time, anything like that. That's  
10 all he said.

11 Q. Was that the only phone call, the 10:30  
12 one that you had with --

13 A. We spoke at 1:30 when he was actually  
14 getting off his hitch that night.

15 Q. And did he say anything differently  
16 from the 10:30 phone call than the 1:30?

17 A. Just the mud that they were losing.  
18 That's all he kept stressing.

19 Q. Had he voiced any concerns on the

20 DEEPWATER HORIZON in any phone calls that you

21 had had previously? Not during this hitch,

22 but in other hitches?

23 A. The previous -- yes, when he was home.

24 We had many conversations about the pressure

25 on the rig and the mud they were losing and

1       then when he was home his last hitch he found  
2       out that they had lost the well. And -- and I  
3       think he knew then that he was going back to  
4       problems. But he never stated that. I just  
5       gathered from our conversations he felt that  
6       way.

7       Q. I know you're not a drilling expert by  
8       any means, but did Shane ever mention anything  
9       about if this well was different than other  
10      wells?

11      A. Yeah.

12      Q. Do you know -- did he say anything to  
13      anybody in Transocean or do you or --

14      A. (Witness shakes head negatively.)

15      Q. Also in the testimony that you gave  
16      before Congress you had indicated that Shane  
17      went to a lot of training, is that correct?

18      A. Yes.

19      Q. Did he ever comment on how effective

20 the training was?

21 A. Yes. Shane had just attended a

22 leadership safety school his last hitch home

23 in Houston, Texas. And the six hour drive

24 home that we had home we talked intensively

25 about how good he felt about it and how he was

1 going to take back what he learned to the rig  
2 and the morale of the men at the safety  
3 school. And they felt that they were going to  
4 take it back to the rig and apply it. He felt  
5 that it was very well orchestrated.

6 Q. And this was a Transocean school?

7 A. Yes, sir.

8 Q. Did he go to any type of well control  
9 training?

10 A. I do believe he went to one when he  
11 first hired on, now I couldn't tell you when.

12 Q. In 2006 around, 2007?

13 A. Yeah.

14 Q. Do you know if a majority of his  
15 training was in the classroom setting or if it  
16 was actually on the job training?

17 A. Shane did a great deal of on the job  
18 training.

19 Q. Did he have some coworkers that he

20 would talk about that trained him that he was

21 confident in or --

22 A. He never specifically would name names.

23 He always talked about the positions that they

24 were in that signed off on different things

25 that he had to have signed off on. There was

1 men there that was pushing him, you know, to

2 do better to move up.

3 Q. So he was satisfied with the training

4 he was getting on the job?

5 A. Yes.

6 Q. Thank you. Did he ever discuss any

7 like safety concerns onboard the DEEPWATER

8 HORIZON?

9 A. No.

10 Q. During his off time. Not when he was

11 on the rig, but with you when he was on his

12 off time?

13 A. He never expressed any concerns of

14 safety until this well. Until this well Shane

15 never expressed any concern.

16 Q. Had Shane been involved in any type of

17 near miss or any type of incident or injury

18 while he was on the DEEPWATER HORIZON?

19 A. Shane was involved when the rig started

20 taking on water at this time last year. Shane

21 was involved in that. I didn't speak to him

22 for four days. He was --

23 Q. How was --

24 A. -- uh --

25 Q. I'm sorry. I didn't mean to interrupt

1 you. You can go ahead.

2 A. He was actually in the room that -- in  
3 the compartment that was taking on water at  
4 the time. And they got them all off on work  
5 boats safely.

6 Q. Did he have concerns after that with  
7 the DEEPWATER HORIZON or --

8 A. No, never. Nothing any more than we  
9 just talked life insurance and things like  
10 that 'cause he knew his job was dangerous.

11 Q. Did he ever mention anything to you  
12 about a safety stand down in 2009 onboard the  
13 DEEPWATER HORIZON?

14 A. He mentioned it. He just said at the  
15 time when he was out there the walls were too  
16 thin and he could say too much. And when he  
17 got home he really didn't want to talk about  
18 it and that was all that was ever said.

19 Q. He said that the walls were too thin.

20 Does that indicate that he had concern about  
21 saying things on the rig?

22 A. No. He just said that he didn't feel  
23 like talking about it. That it had been a  
24 long day.

25 Q. Okay. Also in your testimony before

1 Congress you had indicated that you would like  
2 to see better enforcement of existing laws.  
3 Did Shane ever mention anything to you about  
4 government enforcement?

5 A. No.

6 Q. Okay

7 A. I had no idea MMS existed until this.

8 Q. Is there any additional information  
9 that you can share with the Board that I'm not  
10 familiar with? I mean we only had access to  
11 your testimony that you gave Congress. Is  
12 there anything that you would like to share  
13 with the Board that could probably prevent  
14 something like this from happening again,  
15 ma'am?

16 A. I would like to stress that -- Shane  
17 did -- the last time Shane was home he did  
18 like this (indicating), he said "Baby, the  
19 Earth is" -- he said "It's like blowing up a

20 red balloon and taking a pin and just pushing  
21 it and pushing it and pushing it as far as it  
22 could go and it just blowing." I mean from  
23 day one he deemed this hole a well from hell.  
24 He said the Earth just -- he said "Mother  
25 nature just doesn't want to be drilled here."

1 And I want to stress the fact that, you know,  
2 this industry is vital to our country and for  
3 our men to be out there drilling and their  
4 lives being put under business agendas that's  
5 what I want stressed. I don't think -- I  
6 think we have enough safety rules. Shane was  
7 satisfied with his job, loved his job. He  
8 planned on being out there for the rest of his  
9 life, but I don't think that we need to make  
10 any more safety rules. I think the ones there  
11 need to be implemented harder for our men that  
12 work out there to provide us with necessary  
13 commodities.

14 MR. MATHEWS:

15 Thank you. I have no further  
16 questions at this time.

17 MR. McCARROLL:

18 I have no questions, thank you.

19 CAPT NGUYEN:

20 Flag state?

21 MR. LINSIN:

22 No questions. Thank you, Captain.

23 CAPT NGUYEN:

24 Yes, sir. Dril-Quip?

25 MR. KAPLAN:

1 No questions.

2 CAPT NGUYEN:

3 Yes, sir. Douglas Brown?

4 MR. GORDON:

5 No questions.

6 CAPT NGUYEN:

7 Curt Kuchta?

8 MR. SCHONEKAS:

9 No questions, Captain.

10 CAPT NGUYEN:

11 Jimmy Harrell?

12 MR. FANNING:

13 No questions, thank you.

14 CAPT NGUYEN:

15 Thank you. Mike Williams?

16 MR. PENTON:

17 No questions, Captain.

18 CAPT NGUYEN:

19 Stephen Bertone?

20 MR. LONDON:

21 No questions, Captain.

22 CAPT NGUYEN:

23 Thank you. BP?

24 MR. GODFREY:

25 Captain, thank you. No questions.

1 CAPT NGUYEN:

2 Thank you, sir. Transocean?

3 MR. KOHNKE:

4 No, we have no questions. Thank

5 you.

6 CAPT NGUYEN:

7 Thank you, sir. Anadarko, MOEX

8 Offshore?

9 MS. KIRBY:

10 No questions, thank you.

11 CAPT NGUYEN:

12 Okay. Cameron?

13 MR. JONES:

14 No questions, Captain.

15 CAPT NGUYEN:

16 Thank you. Halliburton?

17 MR. GODWIN:

18 No questions, Captain.

19 CAPT NGUYEN:

20 Thank you. Weatherford?

21 MR. LEMOINE:

22 No questions, Captain.

23 CAPT NGUYEN:

24 M-I SWACO?

25 MR. EASON:

1           No questions, thank you.

2           CAPT NGUYEN:

3           Ms. Roshto, are there any questions

4           that we didn't ask or any information,

5           additional information, that you would

6           like to provide?

7           THE WITNESS:

8           I just would like to thank y'all

9           for giving me this opportunity to speak

10          on behalf of Shane and our son Wayne.

11          It's been a long road. We're getting

12          through, but I've been watching the

13          progress, you know, I just want to

14          thank you very much.

15          CAPT NGUYEN:

16          Yes, ma'am. Thank you very much

17          for being here. You are dismissed.

18          THE WITNESS:

19          Thank you.

20 CAPT NGUYEN:

21 The Board will now call on Mr. John

22 Guide with BP.

23 MR. GODFREY:

24 They're getting Mr. Guide now.

25 CAPT NGUYEN:

1 Yes, sir. Thank you, Mr. Godfrey.

2 Mr. Guide, good morning, sir.

3 THE WITNESS:

4 Good morning.

5 \* \* \* \* \*

6 ALEXANDER JOHN GUIDE,

7 after being first duly sworn in the cause,

8 testified as follows:

9 E X A M I N A T I O N

10 BY MR. MATHEWS:

11 Q. Mr. Guide, for the record could you  
12 please state your full name and spell your  
13 last?

14 A. Alexander John Guide, G-U-I-D-E.

15 Q. Mr. Guide, just to give you a round  
16 robin of what's going to occur today: I'm  
17 going to do my round of questions and we'll  
18 probably take a short break and to give you  
19 time because the last few hearings multiple

20 people have been going about two or three  
21 hours just to allow you some time to have a  
22 break, okay?

23 A. Okay, thank you.

24 Q. By whom are you employed, sir?

25 A. BP.

1 Q. And what position do you hold with BP,  
2 sir?

3 A. Wells Team Leader.

4 Q. And how long have you held that  
5 position?

6 A. Seven years.

7 Q. And, prior to being the wells team  
8 leader, what did you do?

9 A. I have held positions as a drilling  
10 engineer, completion engineer, production  
11 engineer, intervention engineer. Also I've  
12 supervised drilling engineering, completion  
13 engineering, production engineering,  
14 intervention groups. I came over to BP in  
15 2000 with the acquisition of Vastar. While at  
16 BP in these ten years I was the lead drilling  
17 engineer on the Horn Mountain Development in  
18 Mississippi Canyon. I was the drilling  
19 superintendent for both the Mad Dog and

20 Holstein projects in Southern Green Canyon.  
21 In October of 2007 I came over to be the wells  
22 team leader for the DEEPWATER HORIZON. In  
23 that time drilled, exploration, appraisal and  
24 production wells as far west as Keathley  
25 Canyon down to Southern Green Canyon and over

1 to Mississippi Canyon.

2 Q. Okay. Approximately how many wells  
3 have you been associated with as the well team  
4 leader, rough estimate, sir?

5 A. 25.

6 Q. And were all of those exploratory?

7 A. No, sir.

8 Q. How many of them were roughly  
9 exploratory?

10 A. Six -- six or seven exploratory.

11 Q. Just so I can have an understanding of  
12 what you do in your current position, can you  
13 confirm do you review APDs?

14 A. No.

15 Q. No, okay. Do you review morning  
16 reports?

17 A. Yes.

18 Q. Do you review rig audits?

19 A. Yes.

20 Q. Do you manage proposed changes?

21 A. Yes.

22 Q. Do you participate in daily meetings

23 with the rig?

24 A. Yes.

25 Q. Okay. And what are those meetings,

1 sir? Are those once a day meetings, twice a  
2 day?

3 A. It's usually just once a day unless  
4 there's an issue. We have a 7:30 morning  
5 meeting, that's a conference call with the  
6 rig. It's -- on the Houston side or the  
7 office side you would have the drilling  
8 engineers, the subsurface folks, which would  
9 be the geologists, the geophysicists, pore  
10 pressure experts. You would have regulatory  
11 people. And on the other side is the, of  
12 course, the well site leader, usually the OIM,  
13 Captain, senior toolpusher, the other  
14 specialists that are on the rig at the time.  
15 The meeting usually didn't last long. We  
16 always would start with safety and discuss any  
17 issues there. And then go over the operation  
18 that happened the day before and then address  
19 any issues that were upcoming. And usually

20 any issues would be taken offline because we  
21 didn't like to keep the people who were doing  
22 the work on the rig, you know, tied up in a  
23 meeting all day. We wanted them to do their  
24 job.

25 Q. And who was actually leading those

1 meetings?

2 A. Usually the engineer lead the meetings.

3 Q. Mr. Hafle or Mr. Morel? Which engineer  
4 are you referring to?

5 A. Mr. Hafle or Mr. Morel. If they  
6 weren't there for some reason another guy,  
7 Brett Cocales, would lead it and if they  
8 wanted to then I would lead it. But it was  
9 usually one of the engineers.

10 Q. Do you have any well control  
11 certification, sir?

12 A. Yes.

13 Q. And when was your last well  
14 certification?

15 A. Two years ago.

16 Q. And who was that with, sir?

17 A. Wild Well Control.

18 Q. Do you have any professional licenses?

19 A. No.

20 Q. At any time during the review of the  
21 morning reports on the Macondo well did you  
22 identify any problems with that well?

23 A. Can you be more specific?

24 Q. Loss returns?

25 A. Yes, we had loss returns.

1 Q. How often?

2 A. We had loss returns in three  
3 situations.

4 Q. Okay. Was there any issues with stuck  
5 pipe at any time?

6 A. There was one instance where we did  
7 stick -- we did stick the pipe.

8 Q. And do you remember what depth or where  
9 that was around roughly?

10 A. Yeah, around 13,000 feet.

11 Q. Were there any issues with the  
12 cementing job performed on the production  
13 casing or any concerns?

14 A. On the production casing?

15 Q. Yes, sir. 7 inch production casing?

16 A. No. The -- based on the results that I  
17 saw the production casing cement job went  
18 well.

19 Q. Okay. Were you aware of any of the

20 drilling program changes associated with the

21 Macondo well in the last week of the well?

22 A. Yes, sir.

23 Q. Were you aware of any BOP stack issues

24 that might have been noted in the morning

25 reports?

1 A. Yes, there was --

2 Q. I have them in front of you if you want  
3 to -- just to refresh your memory. If that's  
4 what you recall. I believe it's highlighted  
5 in orange.

6 CAPT NGUYEN:

7 What date is it?

8 MR. MATHEWS:

9 February 24th I think is the first  
10 date going through March 13th for being  
11 the second date.

12 THE WITNESS:

13 Yes, sir. I remember this.

14 BY MR. MATHEWS:

15 Q. Okay. Can you please elaborate? I'm  
16 not really clear as to what was not  
17 functioning.

18 A. During the -- the morning call the well  
19 site leaders brought -- brought up that there

20        was a slight leak on one of the shuttle valves  
21        that were associated with the test ram. Said  
22        that the stack was fully functional. But they  
23        had to put it in block position because it was  
24        a slight, slight leak. That was really the --  
25        Q. Were both the pods fully functional?

1 A. Yes, sir.

2 Q. Do you know anything about the spare  
3 pod on that rig, sir?

4 A. No, sir.

5 Q. Do you know if it was fully  
6 operational?

7 A. I'm sorry. Could you -- "Spare pod" as  
8 in --

9 Q. On the DEEPWATER HORIZON.

10 A. Can you sort of elaborate upon that?

11 Q. There's a spare pod to back up the blue  
12 and the yellow pod onboard the DEEPWATER  
13 HORIZON.

14 A. Yeah. I didn't know the -- about the  
15 functionality of that.

16 Q. Did you read the DEEPWATER HORIZON  
17 audit performed by BP and by MODU Spec in  
18 September of 2009 and in April of 2010?

19 A. I recall the one in September. I do

20 not recall the one in April.

21 Q. Okay. You might not have gotten it

22 because it was only completed on April 14th.

23 You may not have received it yet. But do you

24 recall anything in the September 2009 report

25 about the spare pod on the DEEPWATER HORIZON?

1 A. No, sir. I don't recall.

2 Q. At any time did you participate in a  
3 meeting on or around in early April concerning  
4 the empowerment of well site leaders on rigs  
5 -- on the rig?

6 A. I don't -- I don't believe so.

7 Q. I have an e-mail in front of you, if  
8 you want to flip to it, it should be in order.  
9 There should be two morning reports and I  
10 believe an e-mail and it should be Bates  
11 number  
12 BP-HZN-MBI-00117574, is that what you have in  
13 front of you, sir? An e-mail from Tony  
14 Emerson?

15 A. Oh, okay. I'm sorry. I was looking at  
16 it.

17 Q. No problem. It's an e-mail from Tony  
18 Emmerson

19 A. Yeah.

20 Q. -- on April 1st?

21 A. Yes.

22 Q. And you were on that to line, correct,

23 sir?

24 A. Yes.

25 Q. And then you see on the bottom the main

1 theme "We have been hearing that we need to  
2 empower the rig more to do their job and let  
3 experience on the rig do their job." What was  
4 that as a result of?

5 A. Just going to make sure that I --  
6 because we have --

7 Q. No problem. Take your time, sir.

8 A. -- different meetings. One of our --  
9 we had a safety agenda that we followed and  
10 one of the pieces of the safety agenda was a  
11 monthly conference call with the wells team  
12 leaders, some of the engineers, the managers  
13 and all the well site leaders that were on the  
14 rig. And we took turns, the wells team  
15 leaders of picking topics to discuss and see  
16 if anything had anything -- anybody had  
17 anything on their mind. And this was just a  
18 theme that was going to be a topic to discuss  
19 with the guys.

20           Q. But was that theme a result of a  
21           concern that BP had with the empowerment of  
22           their well site leaders?

23           A. No, not that I'm aware of.

24           Q. I hate to jump around, but earlier we  
25           were talking about the pod issue on the daily

1 report. At any time did you or anybody from

2 BP notify the MMS?

3 A. No, sir.

4 Q. Okay. I'm going to move on to casing

5 design. Were you involved -- what was your

6 role exactly in the well design of the Macondo

7 well, sir?

8 A. I did not have a engineering role --

9 Q. Alright.

10 A. -- in the Macondo well.

11 Q. Do you know the advantages of using a

12 liner hanger on the well as opposed a long

13 string?

14 A. In -- could you be more specific?

15 Q. Barriers.

16 A. Once again more specific.

17 Q. Which one allows for a more secure

18 barrier to prevent the flow of hydrocarbons to

19 the surface?

20           A. It really depends on the actual  
21           configuration. If a liner hanger is run by  
22           itself just with the liner then it is no  
23           different. The liner hanger is a single  
24           barrier.

25           Q. But would the 9 and 7/8ths liner allow

1 for an additional cemented annular?

2 A. 9 and 7/8ths liner, sir? Can you be  
3 more specific?

4 Q. Would the -- if you ran a 9 and 7/8ths  
5 liner as opposed to running a long string  
6 wouldn't that allow for the opportunity to  
7 have additional annular of cemented barrier?

8 A. If you just ran the liner by itself it  
9 would not give you another barrier.

10 Q. But with the tieback though, sir?

11 A. Right. It would be an additional  
12 barrier if you ran a tieback.

13 Q. Do you know the difference economically  
14 between the two casing strings of a 5 inch and  
15 a 7 inch production casing?

16 A. 5 inch and 7 inch, no. I don't.

17 Q. Does BP ever consider the design of the  
18 wells looking at the flow that the -- the path  
19 of the potential reservoir in any decision in

20 the casing design?

21 A. Yes, sir. They do. I am not

22 personally involved in any of that.

23 Q. Do you know what role economics play in

24 the design though?

25 A. No, I don't. Because I don't do any of

1 the runs or any of the designs.

2 Q. Okay. Are you familiar with BP's  
3 golden rules?

4 A. Yes, sir.

5 Q. Okay. I have that. I think that was  
6 the next attachment that I have in front of  
7 you. I pulled this off of your website. Is  
8 that what you're looking at, sir? "Management  
9 of change"?

10 A. Yes, sir.

11 Q. Is management of change one of the  
12 golden rules of BP?

13 A. Yes, sir.

14 Q. Okay. Were yo involved in the  
15 management of change process for the numerous  
16 casing designs, sir? The changes on the last  
17 week of the Macondo well?

18 A. Yes, I reviewed that MOC.

19 Q. Okay. But during your review was there

20 anything in the production casing design or

21 philosophy that you had concerns about?

22 A. No.

23 Q. Did anyone on the reviewing team have

24 any concerns?

25 A. I -- the only concern that I was ever

1 made aware of was the risk of losing  
2 circulation during the actual cement job.

3 Q. Do you recall how many managements of  
4 change were submitted between April 7th and  
5 April 19th on this well, sir?

6 A. I only reviewed one. I really don't  
7 know how many were submitted.

8 Q. Okay. Were you aware that there was  
9 one that was -- I don't know which ones you  
10 actually participated in off the top of my  
11 head, but did you participate in one where  
12 they actually changed the TD, the true depth,  
13 of the well?

14 A. I don't recall.

15 Q. Alright. Can you flip to the -- I  
16 think the next document that I have is a  
17 management of change, is that correct, sir?  
18 Which was initiated on April 7th, 2010 in the  
19 top right corner by Mark Hafle.

20 A. Yes, sir.

21 Q. Okay. And that's Bates number

22 BP-HZN-MBI00143255?

23 A. Yes, sir.

24 Q. Okay. It looks like this one was

25 initiated on April 7th, is that correct?

1 A. Yes, sir. That's correct.

2 Q. Okay. And then it was desired  
3 completion date of April 8th, is that correct?  
4 That would be on the far left hand side of the  
5 page on the upper side.

6 A. Yes, sir.

7 Q. And it says "Proceed with MOC", I'm  
8 trying to get an understanding of what I'm  
9 looking at here just to get a quick tutorial  
10 of the management of change program that you  
11 have there. And it says "Proceed with MOC",  
12 so I guess this was granted -- someone  
13 reviewed this and said 'We have to do a  
14 management of change on this', is that  
15 correct?

16 A. Yeah, that is correct.

17 Q. Okay. And this was to change the total  
18 depth for the Macondo well and there's three  
19 people indicated on the right John Guide,

20 yourself, Greg Walz and Brian Richie that

21 agreed with this management of change?

22 A. Yes, that is correct, sir.

23 Q. Okay. And then I looked on the level-1

24 approvals. What's the difference between a

25 level-1 approval and the level-1 review -- on

1 the second page, I'm sorry.

2 A. Oh.

3 Q. Because there's three gentlemen there,

4 that's Jay Dorseth, Mr. David Sims and

5 Jonathan Sprague.

6 A. Yes, sir.

7 Q. What's the difference between a review

8 and an approval?

9 A. The way the management of change system

10 is set up is there's a check and balance

11 system.

12 Q. Uh-huh (affirmative reply).

13 A. So you have reviewers and then you have

14 approvers. So, in this particular case -- I

15 apologize that I forgot about this --

16 Q. No, no problem. I know it was a long

17 time ago.

18 A. But we just review it to see if we

19 concur, you know, with the -- what the actual

20 change is and then these individuals here

21 actually are the folks who have to approve the

22 actual change.

23 Q. Okay. And on the third page, can you

24 refer to that real quick, sir? It says

25 "Management of change is complete", correct?

1 And it's checked off and there's a date by Mr.

2 Eric Muler on 4/9/2010, is that correct, sir?

3 A. That is correct.

4 Q. And, once a management of change is

5 approved and completed, this is where it's

6 designated that it's been approved and

7 completed?

8 A. Yes, sir.

9 Q. Okay, thank you. I'm just trying to

10 get an understanding of what I'm looking at.

11 Okay. I'm going to move on now to the 9 and

12 7/8ths by 7 inch production casing. The next

13 two documents are both management of change

14 for that specific casing string. You can

15 probably take the first one out. I'm going to

16 have a few questions about that one. Do you

17 know why there was two submittals within one

18 day of each other for the same management of

19 change?

20 A. I do not know, sir.

21 Q. Okay. Do you know if that management  
22 of change was approved?

23 A. I never saw this management of change  
24 before.

25 Q. Okay. This is the one that's dated

1 4/14, correct, sir? At the top right?

2 A. Correct.

3 Q. And it was initiated by Mr. Mark Hafle

4 and he wanted the desired completion date by

5 4/15, is that correct?

6 A. Yes.

7 Q. Okay. Can you read the first line

8 under the "Justification" please?

9 A. It's really small font.

10 Q. Okay. Would you mind if I read it and

11 you can confirm it?

12 A. It says --

13 Q. "The current cement model suggests that

14 we should be able to achieve a successful

15 primary cement job on the long string."

16 A. Yes, sir.

17 Q. Do you know which model or what you

18 were looking at to suggest that?

19 A. Once again I didn't see this particular

20 MOC before.

21 Q. Okay. Let me go to the next one just  
22 to see if it's the same management of change  
23 -- we'll stick to the third one. But this one  
24 wasn't approved, correct? You can flip to the  
25 last page real quick --

1 A. Yeah.

2 Q. That's the third one that you have in  
3 your hand, sir?

4 A. No. I'm going back to the second  
5 one --

6 Q. Okay.

7 A. -- that wasn't approved.

8 Q. Okay, it wasn't approved. Alright,  
9 thank you. And this is the third one, this  
10 one was initiated on the 15th.

11 A. Yes, sir.

12 Q. The day after the original one that Mr.  
13 Hafle initiated and this one was requested to  
14 have a response back on the same day, correct,  
15 April 15th?

16 A. Yes, sir.

17 Q. Okay. And are you on there as a level-  
18 1 reviewer?

19 A. Yes, sir.

20           Q. Okay. This says "The current cement  
21           model suggests that we should be able to  
22           achieve a successful primary cement job on the  
23           long string." What model did you look at to  
24           indicate that justification?

25           A. There were several attachments to this.

1 Q. Yes.

2 A. And one of them was a model. I  
3 remember looking at the ECD chart at the back  
4 of the model. And I also remember looking at  
5 -- I believe there was a decision tree.

6 That's it.

7 Q. Are you familiar with nitrified cement  
8 utilization in the Gulf of Mexico on BP wells?

9 A. Yes, sir.

10 Q. Had y'all ever used nitrified cement on  
11 a production casing before?

12 A. Yes, sir.

13 Q. Was that involved in the model that you  
14 were looking at? Did it involve nitrified  
15 cement?

16 A. On?

17 Q. For that management of change document,  
18 sir?

19 A. Yes, sir.

20 Q. Okay. One thing I wanted to go back on  
21 on the second one. I just wanted to make a  
22 note real quick. It's the same -- pretty much  
23 the same management of change document. They  
24 just -- it just looks like they changed the  
25 reviewers. Do you know Mr. David Sims?

1 A. Yes, sir. I know Mr. Sims.

2 Q. Okay. On the level-1 review Mr. Sims  
3 disagreed with the disposition, is that  
4 correct?

5 A. Yes, sir. That's what's on here.

6 Q. Okay. Do you know why Mr. Sims might  
7 have disapproved of this?

8 A. No, sir. I don't.

9 Q. Okay. You never had any communication  
10 with him during the process of the one you  
11 were reviewing with Mr. Sims?

12 A. I never reviewed this one with Mr.  
13 Sims.

14 Q. Okay.

15 MR. STETLER:

16 And by "This one" you mean the  
17 second one?

18 THE WITNESS:

19 Yes, sir.

20 BY MR. MATHEWS:

21 Q. Yes, sir.

22 A. Yeah, the second one. Yeah.

23 Q. Alright. The one that you participated

24 in --

25 CAPT NGUYEN:

1                   Excuse me, Counsel, please speak  
2                   into the microphone so that the  
3                   reporter can get you. Thank you, sir.

4                   Yes, sir.

5                   MR. STETLER:

6                   I'm Dave Stetler, S--T--E--T--L--E--  
7                   R.

8                   BY MR. MATHEWS:

9                   Q. Okay. On the management of change  
10                  process that you participated in, can you read  
11                  the second highlighted justification for me?

12                 And if you can't read it I'll read it for you.

13                 A. I believe it says -- no, you are going  
14                 to have to read it for me.

15                 Q. Okay. "The long string provides the  
16                 best economics case and well integrity case  
17                 for future completion operations." The line  
18                 that I was talking about is "The liner, if  
19                 required, is also an acceptable option, but it

20 will add an additional \$7,000,000 to  
21 \$10,000,000 to completion costs." Is that  
22 accurate?

23 MR. STETLER:

24 We'll take your word for it.

25 BY MR. MATHEWS:

1 Q. Okay.

2 A. I'm sorry, it's really, really small.

3 Q. Sorry about that. My question is: Does  
4 completion cost outweigh risk?

5 A. No.

6 Q. Then why would the justification be put  
7 in like that?

8 A. I can't answer that exactly, but I do  
9 know in this particular case the long string  
10 was the preferred method because it gives you  
11 better long term wellbore integrity.

12 Q. Okay.

13 A. That's the basis of what I believe the  
14 MOC meant.

15 Q. Okay. Do you know -- there was also a  
16 mitigation in here about the cement job that  
17 if you didn't receive full returns it was to  
18 do a cement evaluation job, is that correct,  
19 sir? I think that was also part of the flow

20 chart that you had mentioned in your review.

21 A. Yes, sir. The engineers put together

22 decision trees on a regular basis and that was

23 included in this MOC.

24 Q. Earlier you mentioned that someone had

25 mentioned to you that there was no -- you got

1 full returns during the cement job.

2 A. Yes, sir.

3 Q. And who was that?

4 A. It was on the morning call -- well, no.

5 I'm sorry. I actually received an e-mail

6 from Brian Morel in the middle of the night,

7 which I didn't look at in the middle of the

8 night, that said that we had full returns

9 during the job. If I recall it was "We bumped

10 the plug on time and saw" -- I think it was 70

11 psi lift pressure.

12 Q. Lift pressure. Were you aware that

13 Schlumberger had services out there that BP

14 had contracted to do a contingency bond log?

15 A. Yes, sir.

16 Q. Who made the decision to not go with

17 the contingency bond log? Was that Mr. Morel

18 upon his witnessing of the cement job and

19 getting full returns?

20           A. He was part of the decision process.

21           It was a group -- a group process as outlined

22           in the -- the actual decision tree. On the

23           morning meeting, which was at 7:30, we

24           discussed a job, everyone involved with the

25           job on the rig site was completely satisfied

1 with the job. You had full returns running  
2 the casing, full returns cementing the casing.  
3 Saw lift pressure, bumped the plug, floats  
4 were holding. So really all the indicators  
5 you could possibly get. So it was outlined  
6 ahead of time in the decision tree that we  
7 would not run a bond long if we saw these  
8 indicators. So the decision was made to send  
9 the Schlumberger people home.

10 Q. Okay, thanks. Now, going back to that  
11 management of change document in front of you,  
12 can you refer to the level-1 approvals? And  
13 it's Mr. David Sims, yourself and Andrew  
14 Frizelle, am I saying that correct, sir?  
15 Frizelle?

16 A. Yeah, Frizelle is correct.

17 Q. It indicates that you never actually  
18 indicated whether you approved or disapproved  
19 of the disposition, is that accurate?

20 A. It was a clerical error.

21 Q. A clerical error, can you please

22 explain that to me, sir?

23 A. It was a mistake made in filling the

24 form out.

25 Q. Uh-huh (affirmative reply).

1           A. Because I believe the process is that I  
2           can't be a reviewer and an approver.

3           Q. Okay.

4           A. And it was a clerical error that was --

5           Q. Okay.

6           A. -- done by the person who was entering  
7           the --

8           Q. Thank you. Do you know why Mr. Andrew  
9           Frizelle approved this on April 20th, 2010?

10          A. No, I do not.

11          Q. Do you know when the change was made?  
12          Was it prior to April 20th, 2010?

13          A. Yes, sir. It was.

14          Q. Okay. Can you refer to the last page  
15          of the document? Was this management of  
16          change approved within BP's internal process?

17          A. It is not checked on this document.

18          Q. Does that indicate it was not approved?

19          A. I know that verbally all the parties

20 involved agreed to this management of change

21 and then the management of change is created

22 after. So I believe all the parties involved

23 knew what we were going to do.

24 Q. Okay. Are you familiar with the

25 management of change process within BP?

1 A. Yes, sir.

2 Q. Okay. Who -- obviously the initiator  
3 was Mr. Mark Hafle. Who was the verifier?

4 A. Well, we had -- we had -- we had three  
5 reviewers.

6 Q. Okay. And who was the coordinator?

7 A. Oh, that was Mr. Muler.

8 Q. Muler. And who was the manager of the  
9 affected facility?

10 A. I think that was really a -- this is a  
11 -- a -- well, I'm not quite sure.

12 Q. Are you aware that the manager of the  
13 affected facility has the final management  
14 approval on the management of change?

15 A. Okay. Yes, sir.

16 Q. Would that be the well site leader?

17 A. Uh --

18 Q. Or would that be the wells team leader?

19 A. No, the well site leader is on the

20 facility.

21 Q. Yes, sir.

22 A. Yes.

23 Q. So that would have been Mr. Bob Kaluza

24 or Donald Vidrine?

25 A. I think -- yeah, it would have been the

1 well site leader who was out there.

2 Q. Do you know if they approved of the  
3 management of change?

4 A. They're not on the list, sir.

5 Q. Thank you. You are aware that they are  
6 the ones that have to authorize the start up  
7 of this management of change, according to the  
8 management of change document that you have in  
9 BP's HSE policy manual?

10 A. I know they have to -- they have to  
11 actually perform the work, yes.

12 Q. Okay. And there's no indication in any  
13 of those management of change that they were  
14 aware of it or had approved of it?

15 A. Yeah -- no, not on this document, sir.

16 Q. Thank you. Back to the cement  
17 evaluation tool or cement bond log, how often  
18 did BP send out Schlumberger Services to do  
19 cement evaluation jobs on deep water rigs?

20 A. We usually did not run bond logs on --

21 on the wells that I was associated with, on

22 the HORIZON.

23 Q. Do you know when the cement job on the

24 production casing was completed roughly?

25 A. Yes, sir. It was around midnight early

1 -- early stages of the morning on the 19th.

2 Q. Midnight the 19th, early stages of the  
3 morning on the 20th?

4 A. Yes.

5 Q. Okay.

6 A. I'm sorry, yes.

7 Q. Yesterday we had Mr. Sepulvado in here,  
8 are you familiar with Mr. Sepulvado?

9 A. Yes, sir. I am.

10 Q. He indicated to the Board that to be on  
11 a manifest to travel on the 20th that would  
12 actually have to be approved on the 19th. If  
13 you were to depart the rig that would have to  
14 be handled by the dispatcher on the DEEPWATER  
15 HORIZON and then signed off on by the well  
16 site leader for the DEEPWATER HORIZON, is that  
17 accurate, sir?

18 A. Yeah, they usually have the manifest  
19 before -- I'm sorry, filled out the day

20 before.

21 Q. For Schlumberger to be on the second

22 flight out on the 20th, which was only a few

23 hours after the cement job was created, for

24 them to be on the 20th would they have to be

25 approved on a 4/19 manifest?

1 A. They could be.

2 Q. So was the decision made to send in  
3 Schlumberger completed before the cement job  
4 was actually performed?

5 A. No.

6 Q. It wasn't, okay.

7 A. No.

8 Q. Do you know if at any time in the past  
9 that BP had actually got the services to the  
10 rig and actually sent them back to shore  
11 without running their services?

12 A. We have sent services out and not --  
13 and not performed them on different companies.  
14 Not just Schlumberger.

15 Q. Okay. Would you be surprised that in  
16 the last 30 months out of about 74 deep water  
17 operations that actually had Schlumberger  
18 services show up to their rig to do cement  
19 evaluation tools only three of them were sent

20 back to shore prior to doing their operation?

21 Would you be surprised by that statistic?

22 A. I'm not aware of that statistic.

23 Q. Okay. Would you be surprised that BP

24 was the company that sent in two of the only

25 three?

1           A. Once again, I'm not aware of that

2           statistic.

3           Q. At any time was Anadarko or MOEX

4           involved in any discussions concerning the

5           proposed changes of the well or the design of

6           the well?

7           A. I had no discussions with them.

8           Q. Were you were aware if there was any

9           AFE issues or budget issues on the well that

10          required to get additional money from MOEX or

11          Anadarko?

12          A. I was not aware of any. That's usually

13          handled by other people, the AFEs.

14          Q. Who is that handled by, sir?

15          A. It's usually handled by the subsurface

16          group and the land department.

17          Q. On the night of April 20th did you

18          receive any calls after the incident

19          concerning what had happened on the DEEPWATER

20 HORIZON?

21 A. I did receive a call from Paul Johnson.

22 Q. And was he in Houston, sir?

23 A. You know, I don't remember exactly

24 where he was located at the time. But -- if

25 it was Houston or somewhere else, but I know

1 he was onshore somewhere.

2 Q. Okay. Can you refer to the next  
3 document that I have? It's a log provided by  
4 Transocean and it's Bates Number TRN-USCG\_MMS-  
5 00038807, is that what you have in front of  
6 that is a log, that appears to be a log?

7 A. Yes.

8 Q. At 22:26 it indicates that there's a  
9 call to "BP Paul Johnson - John Guide". Is  
10 that the call you're referring to, sir?

11 A. Yes, sir.

12 Q. Okay. And what was that call about?

13 A. He said that the -- he said that the  
14 rig was on fire and they were abandoning the  
15 rig.

16 Q. Okay. And then at 2346 if you could  
17 refer back to that time. "John Guide BP  
18 informed gas got into the riser and blew out",  
19 did you call and inform them of that or did

20 Paul Johnson or somebody from Transocean

21 inform you of that?

22 A. I honestly don't recall.

23 Q. Okay. Did you have any concerns about

24 the production casing cement job with the

25 severe gas flow potential to -- for someone to

1 make a comment like that or was there a  
2 knowledge of the potential of the gas flow of  
3 that cement job?

4 A. No, I was not aware of the severe gas  
5 flow.

6 Q. Okay, thank you. Earlier you said that  
7 you were involved in rig audits. What exactly  
8 were your responsibilities in rig audits, sir?

9 A. The BP rig audit group would come and  
10 do different kinds of audits and, depending on  
11 what exactly they found, would then give them  
12 to Transocean and then we would try to work  
13 with Transocean to resolve any issues. If  
14 there were any major issues obviously we would  
15 discuss them with them. The exception of that  
16 would be the marine audit because it's more  
17 specific and out of my -- out of my area.

18 Q. Uh-huh (affirmative reply).

19 A. And we would have the BP marine group

20 follow with Transocean on the marine audit

21 side.

22 Q. And who runs that marine group, sir,

23 within BP?

24 A. You know, they just reorganized and I'm

25 really not sure exactly.

1 Q. Understood, no problem. Had you  
2 reviewed the BP follow up rig audit that was  
3 performed in September of 2009 that we had  
4 discussed earlier?

5 A. I reviewed, yes.

6 Q. I think I have the cover page of it.  
7 It should be in front of you, as well, sir.  
8 Is that what you have?

9 A. Yes, sir.

10 Q. Is that individual that I was just  
11 asking about Neil Cramond?

12 A. Yes, sir. He was at the time. I'm  
13 just not sure if he still is.

14 Q. Okay. But this person that would be  
15 responsible for the marine authority has the  
16 title of GOM Marine Authority within BP, is  
17 that correct?

18 A. Yes, sir.

19 Q. Okay. In that audit, which your name

20 is addressed to, as well, correct as Number-1

21 "John Guide"?

22 A. Yes, sir.

23 Q. Okay. There was a safety stand down in

24 the latter part of 2009 onboard the DEEPWATER

25 HORIZON, is that correct?

1           A. We -- we did have stand downs  
2           occasionally. I would probably have to be  
3           reminded about that specific one though.

4           Q. The report indicated that there was 15  
5           serious near hits onboard the DEEPWATER  
6           HORIZON over the last year, does that bring  
7           any recollection to you, sir?

8           A. Near -- could you repeat that?

9           Q. 15 serious near hits.

10          A. I don't -- I don't remember that exact  
11          terminology. I think we would usually call  
12          them near misses or --

13          Q. Do you mind if I approach and --

14          A. Yeah.

15          Q. This one doesn't have a Bates Number on  
16          it. I'll get you the Bates Number. I don't  
17          have it on that document. I don't have the  
18          Bates Number on that document right here in  
19          front of me, but it is entitled "DEEPWATER

20 HORIZON follow up rig audit, marine assurance  
21 audit and out of service period September  
22 2009." I will get the Bates Number on that  
23 and share that with everyone, but this is the  
24 front page of the document. Okay. We have  
25 the Bates Number now: BP-HZN-MBI00136211. Do

1 you see the paragraph that I was referring to,

2 sir, with the near hits?

3 A. Yes, sir.

4 Q. Can you please read that to me?

5 A. Do you want the whole paragraph?

6 Q. Just the paragraph that's indicating

7 the safety stand down.

8 A. Okay. "As of 15 September 2009 the rig

9 has gone 2,390 days without a days away from

10 work case, which is an excellent achievement.

11 However 15 serious near hits were reported

12 over the last year and a safety stand down was

13 held prior to starting operations following

14 the out of service period."

15 Q. Okay. Why was there a safety stand

16 down and what was discussed during that safety

17 stand down to prevent future near hits or what

18 did BP do -- this document's addressed to you,

19 what did BP do internally to reduce the number

20 of near hits? That would clarify my question.

21 A. We routinely had safety stand downs,

22 especially when it was easy to get all the

23 people on the rig together. This was not a

24 service period. So there was some Coast Guard

25 inspections that were being done and it would

1 really be just a discussion with all the  
2 employees to -- you know, about the key areas  
3 that would have been identified in the near  
4 hits or we call them near misses. Our focus  
5 was really on hand safety and dropped objects.

6 Q. I know that it indicated the term  
7 "Safety stand down", but do you ever recall  
8 ever shutting the rig down during operations  
9 or bringing it in or preventing future  
10 operations?

11 A. We had some marine issues I believe  
12 that we had to stand by for a short period of  
13 time.

14 Q. And I know you earlier indicated that  
15 you were not part of the marine side of BP.

16 A. That's correct.

17 Q. But do you know how they actually  
18 managed or assessed the recommendations that  
19 they actually made in that document to ensure

20 that they're done?

21 A. Yes, sir. On the marine side they have

22 individuals that actually go to the rig and

23 talk to with the onboard marine group and go

24 through and assess -- assess the progress of

25 the concerns. Some things, you know, take

1 time if there's a part that was ordered or  
2 something like that.

3 Q. Okay. Do you know if Transocean was  
4 behind on the scheduled maintenance on the  
5 DEEPWATER HORIZON?

6 A. There were some -- there were some  
7 issues that were behind schedule.

8 Q. Okay. And you're on the drilling side,  
9 correct?

10 A. Yes, sir.

11 Q. Did you -- there was some drilling  
12 equipment that was obviously mentioned in that  
13 report. Were you aware of any of the problems  
14 that they had in September 2009?

15 A. The biggest -- well there was several  
16 pieces of equipment that are usually  
17 problematic on a rig like this and it's  
18 usually the PRSs, the pipe handling.

19 Q. Okay. In the report it indicated that

20       there was multiple personnel changes that  
21       occurred in the last two years onboard the  
22       DEEPWATER HORIZON, is that how -- is that to  
23       the best of your recollection, sir, in that  
24       report?

25       A.   Yes, there were some, but I don't

1 recall many in the leadership positions.

2 Q. Okay. Back to the drilling side. You  
3 had mentioned the pipe handling system as a  
4 chronic problem that they had.

5 A. Yeah.

6 Q. I hate to use the word "Chronic"  
7 because that's my own word. But you said it  
8 was -- they continuously had problems with  
9 that, sir?

10 A. No, it's just the piece of equipment  
11 that works almost continuously and it's -- it  
12 was one piece that needed to be worked on, you  
13 know, more than others.

14 Q. Okay. How about the iron roughneck?

15 A. The iron roughneck also is used a lot  
16 and it was replaced actually in the new well  
17 that was performed back in 2009.

18 Q. Okay. Were there any issues with the  
19 top drive guard?

20 A. Not that I'm aware of.

21 Q. Was it not outfitted with a safety

22 sling?

23 A. I can't tell you exactly.

24 Q. Okay. 'Cause that report actually

25 indicated that there was an incident on the

1 DEEPWATER HORIZON associated with the guard  
2 being knocked off due to equipment clashing  
3 and when y'all went back in September 2009 it  
4 still had not been addressed.

5 A. I -- I don't recall that.

6 Q. Okay. It said that the drawworks  
7 maintenance was overdue, is that correct?

8 A. Once again, I don't recall that.

9 Q. Did it also indicate that the BOP  
10 components were well outside of their OEM and  
11 API recommended recertification periods?

12 A. Now I do remember there was an -- they  
13 recommended -- it was through API that the  
14 bonnets -- I think it was the bonnets be  
15 changed.

16 Q. Okay.

17 A. And that Transocean was aware of this  
18 and was scheduling to change the bonnets in  
19 2011 whenever the rig went into the shipyard.

20 Q. Okay, thank you. The other issues I  
21 have were marine and you probably weren't made  
22 aware of those, so I'll skip over those until  
23 we speak to the marine side.

24 A. Yes, sir.

25 Q. BP utilizes other Transocean rigs,

1 correct, outside of the DEEPWATER HORIZON?

2 A. Yes, sir.

3 Q. Was this common, these deficiencies  
4 that I noted before was this common throughout  
5 the fleet or solely to the DEEPWATER HORIZON?

6 A. I -- I really can't answer for the  
7 other -- other rigs. I know that they did  
8 audits on the other rigs, but I don't remember  
9 all of the -- any of the specifics.

10 Q. Do you receive the audits on the other  
11 rigs?

12 A. No, sir.

13 Q. You don't, okay. Thank you. Are you  
14 familiar with the term "Competence assurance"?

15 A. Yes, sir.

16 Q. Okay. According to that same audit  
17 there was not a competency assurance program  
18 onboard the DEEPWATER HORIZON, is that  
19 accurate?

20           A. I'd have to go back and -- do you want

21           me to go find it in here, sir?

22           Q. Sure. If you want I can come show it

23           to you, just so you don't have to flip through

24           the whole thing.

25           A. Right here?

1 Q. And it goes onto the next page.

2 A. Okay, thanks.

3 Q. Pages-7 and 8. Is that accurate, sir?

4 A. Yes. It's in here, sir. Yes.

5 Q. Okay. Is that something that was

6 specific to the DEEPWATER HORIZON like the

7 report indicated or --

8 A. Well, Transocean is responsible for

9 supplying competent people, sir.

10 Q. Okay. Are you familiar with BP's

11 drilling and well operations practice?

12 A. Yes, sir.

13 Q. Do you know it's a requirement for them

14 to incorporate systems for training and

15 competency for the people that y'all employ?

16 A. Yes, sir.

17 Q. Was there a competency assurance

18 program onboard the DEEPWATER HORIZON?

19 A. According to this report, no, sir.

20 Q. Thank you. And I know you haven't seen  
21 the MODU spec audit, from what I have gathered  
22 earlier. So I'll skip over those. One of the  
23 things that -- it was another rig condition  
24 assessment report and the audit, if you will,  
25 indicated some of the similar problems that

1 were indicated in the report that's in front  
2 of you. Earlier I asked you a question about  
3 the BOP components being outside of it's OEM  
4 and API documents for having the required --  
5 I'm sorry, the recommended major inspections.  
6 In the BP audit there was a date that was  
7 given to have that audit -- the major  
8 inspection to Transocean to have that  
9 completed in three months of September of  
10 2009. Do you know when this one was -- this  
11 MODU spec audit was completed in April that  
12 had not been addressed yet?

13 A. No, sir. I didn't see that audit.

14 Q. Is it common that when you give a  
15 recommendation to do something in three months  
16 that it takes over seven months to do it? On  
17 something as critical as the BOPs?

18 A. We bring it to Transocean's attention,  
19 sir, and sometimes they have to order parts

20 and stuff like that.

21 Q. Does BP have the authority to shut down

22 the rig and say "Stop drilling and get this

23 component inspected"?

24 A. Yes, sir.

25 Q. Are you familiar with the terms A-

1 chair, B-chair and C-chair?

2 A. Yes, sir. I am.

3 Q. Were there any problems with the A-  
4 chair onboard the DEEPWATER HORIZON?

5 A. Yes, sir. There was. It would -- the  
6 term "Crash" every now and then. And we  
7 finally got Transocean to come around and  
8 replace the hard drives in I believe all the  
9 chairs. I could be mistaken there, but I know  
10 definitely the A-chair and then after that I  
11 was never informed of any other issues.

12 Q. How long had that A-chair issue been  
13 going on do you know?

14 A. I really don't know the exact time  
15 frame.

16 Q. Are you aware if the A-chair actually  
17 went down during a well control incident?

18 A. No, sir. I'm not aware of that.

19 Q. Okay. Are you familiar with BP's

20 drilling and well operation policy that I

21 referenced earlier?

22 A. Yes, sir.

23 Q. Okay. According to that document

24 there's -- and you might want to refer to it,

25 I have it in front of you I believe. There's

1 13 elements that make up -- it says "According  
2 to this document BP's business units are  
3 responsible for insuring that there are  
4 management and control systems that satisfy 13  
5 elements." Is that correct, sir? 13 --

6 A. Yes, sir.

7 Q. Okay. Are three of those 13 risk  
8 assessment, management and -- management risk  
9 assessment and management, working with  
10 contractors and others and management of  
11 change?

12 A. Yes, sir.

13 Q. Okay. How did your business unit  
14 ensure that those three items were addressed?

15 A. In -- in what reference, sir?

16 Q. How did you ensure that these were  
17 completed and carried out day to day?

18 A. Risk assessments are usually performed  
19 by the engineering team and they keep a ledger

20 of it to identify at the beginning of the well

21 and then continued -- continued throughout the

22 process of drilling the well.

23 Q. Uh-huh (affirmative reply).

24 A. The working with the contractors. We

25 have the contractors in our office. All the

1 major contractors have meetings with  
2 Transocean on a regular basis, mainly to talk  
3 about safety.

4 Q. Okay.

5 A. I think we had a -- you know, a good  
6 relationship on trying to work with the  
7 contractors as much as possible. Management  
8 of change was -- was clear. Small changes  
9 were performed by Ops Notes and major changes  
10 were performed by MOC.

11 Q. Okay, thank you. And just for  
12 everyone's -- just for what we're discussing  
13 now there's no Bates Number on this. This was  
14 pulled directly from BP's website and it's  
15 entitled "Drilling and well operations  
16 documentation" and the title of it is "BP  
17 drilling and well operations policy (BPA--D-  
18 001)", is that correct for what you have in  
19 front of you, sir?

20 A. Yes, sir.

21 Q. Okay. Can you refer to the second

22 page, sir?

23 A. (Witness complies.) Yes, sir.

24 Q. Can you refer to where it says "Work

25 place practices section-3.4.1"?

1 A. Uh-huh (affirmative reply).

2 Q. Can you read the first sentence of that  
3 please?

4 A. "All risks shall be managed to a level  
5 which is as low as reasonably practical."

6 Q. Okay. Do you recall any e-mail traffic  
7 with a Mr. Gregory Walz on or around April  
8 16th?

9 A. Yes, sir.

10 Q. Okay. I actually have it right in  
11 front of you. Is that the (indicating) the e-  
12 mail that I'm discussing? Bates Number BP-  
13 HZN-CEC022433.

14 A. Yes, sir.

15 Q. Okay. There's a comment here that I  
16 wanted to ask you about and you may not be  
17 able to read it. This is not an MMS Marine  
18 Board document. This was actually from  
19 Congress and the quality of it's not as clear.

20 Can you read it or --

21 MR. STETLER:

22 Are you referring to an attachment?

23 MR. MATHEWS:

24 No, I'm referring to the e-mail

25 itself.

1 THE WITNESS:

2 Oh, okay. Do you want me to pull  
3 it out then, sir?

4 BY MR. MATHEWS:

5 Q. Yeah, no problem.

6 A. Okay. I have the --

7 Q. Do you see the e-mail from John Guide  
8 to Gregory Walz?

9 A. Yes, sir.

10 Q. In the middle of the page. Can you  
11 read that for me please?

12 A. It says "I just found out the stop  
13 collars are not part of the centralizers as  
14 you stated. Also it will take ten hours to  
15 install them. We are adding 45 pieces that  
16 can come off as a last minute addition. I do  
17 not like this and, as David approved in my  
18 absence, I did not question it. But now I am  
19 very concerned about using them."

20 Q. Okay. What was the concern about using

21 them?

22 A. We had a similar -- I'm sorry, one of

23 the other rigs in our fleet it was in the

24 Atlantis Field several days before this had

25 ran a string of casing or attempted to run a

1 string of casing and they had issues. And  
2 they had to pull the casing back out of the  
3 hole. And, when they pulled the casing back  
4 out of the hole, they left numerous  
5 centralizers in the hole.

6 Q. Okay.

7 A. The centralizers that are sent out  
8 usually and on this case the regular  
9 centralizers that are in the plan are actually  
10 centralizer subs that are made up onto the  
11 casing. Because of the incident that we had  
12 on the Atlantis Well I was, you know,  
13 concerned about -- since we didn't know  
14 exactly what happened, a reoccurring issue.

15 Q. Okay. So the concern of having ten  
16 hours to install them was not the final  
17 decision on why that was not run?

18 A. No, sir.

19 Q. Was there a reason why you indicated

20 ten hours to install them?

21 A. It just was a reference to -- I didn't

22 think it was prudent to take ten hours to

23 install the wrong pieces of equipment.

24 Q. Okay, thank you. Also in that e-mail

25 between you and Mr. Gregory Walz there was

1 some indication of someone questioning or  
2 honoring the model. Is that the Halliburton  
3 OptiCem model?

4 A. Yes, sir.

5 Q. And why would you be questioning the  
6 model or anyone from BP question their model?

7 A. There were several reasons. First it's  
8 a model, it's a simulation.

9 Q. Uh-huh (affirmative reply).

10 A. From past experiences sometimes it's  
11 right and sometimes it's wrong. It's a  
12 simulation. It's not, you know, the real  
13 thing. And I also know in this particular  
14 case, while I don't get involved in the  
15 models, that's handled by the engineers. I do  
16 know that they made reference to have to  
17 tinker with it to try to get some of the --  
18 try to get some of the results that were  
19 reasonable. So --

20 Q. Okay. Do you think that BP did  
21 everything they could to manage the risk as  
22 low as possible?  
23 A. Yes, sir.  
24 Q. Okay. I want to refer to section-5.4  
25 of that same document. It should be the very

1 next page that I have for you.

2 MR. STETLER:

3 I don't think that we're literally  
4 on the same page.

5 THE WITNESS:

6 Oh, is this back to the --

7 BY MR. MATHEWS:

8 Q. Yeah, we're jumping documents here.

9 Sorry about that.

10 A. Yeah, no problem. Uh-huh (affirmative  
11 reply).

12 Q. In section-5.4 of the well and  
13 operations policy does it state any  
14 significant changes to a well program shall be  
15 documented and approved via a formal process  
16 which includes those on the original approval  
17 list?

18 A. Yes, sir.

19 Q. Did your business unit successfully

20 document and approve the casing changes in

21 this well?

22 A. Are you talking about changing to the 9

23 and 7/8ths by 7 inch --

24 Q. Yes, sir.

25 A. Yes, sir.

1 Q. Even though the management of change  
2 process wasn't approved you still stand that  
3 that --

4 A. All the parties involved were aware of  
5 the changes and agreed to the changes.

6 Q. Is there any documentation that would  
7 indicate that?

8 A. Unfortunately there was a -- a --  
9 what's the word? A clerical issue, but there  
10 was definitely the understanding of all the  
11 parties involved and they were more than  
12 satisfied the changing to the 9 and 7/8ths by  
13 7 inch long string was okay and the original  
14 basis of design was a 9 and 7/8ths long  
15 string.

16 Q. And when you said "All the parties"  
17 does that include MOEX and Anadarko?

18 A. I don't know that, sir.

19 Q. Okay. Who is your business unit

20 leader?

21 A. James Dupree.

22 Q. And is he out of Houston, sir?

23 A. Yes, sir.

24 Q. Okay. Can we go to section-1.8 please?

25 It's out of order, but it's the next page in

1 that document that I have stapled for you.

2 And it should be the second paragraph on the  
3 page, "The business unit leader".

4 A. Yes, sir.

5 Q. Can you read that second paragraph  
6 please?

7 A. "The business unit leader is  
8 accountable to ensure that any deviation from  
9 policy, established procedures and all non-  
10 routine operations have undergone a formal  
11 risk assessment and that appropriate measures  
12 are taken to manage the risks prior to  
13 performing the operation."

14 Q. Did your business unit leader fulfill  
15 that responsibility?

16 A. I'm not sure how all that is  
17 transferred up, sir. I -- I personally don't  
18 really deal with the business unit leader.  
19 That's the people above me and I assume that

20 they're doing their jobs accordingly.

21 Q. Alright. And can we refer to section-

22 9.22, it's the next page of that document

23 talking about modifications, changes and

24 repairs.

25 A. 922, sir?

1 Q. 9.2.2.

2 A. Okay.

3 Q. Can you read that one for me?

4 A. "Only original equipment  
5 manufacturer's spares shall be used for BOP  
6 replacement parts."

7 Q. Were there any spare or non-  
8 manufactured equipment on the DEEPWATER  
9 HORIZON BOP?

10 A. I don't know that, sir. That is  
11 maintained by Transocean.

12 Q. Do you know if there was an Oceaneering  
13 A-tag conduit valve package replaced on the  
14 BOP stack?

15 A. I do not know that, sir.

16 Q. Do you know if there was any  
17 modifications to the lower stack ROV panel  
18 reconfiguration with an Oceaneering component?

19 A. No, sir. I do not.

20 Q. Do you know if there was any plumbing  
21 modifications made to the pods which would  
22 affect it's retrievability?

23 A. No, sir. I do not.

24 Q. Thank you. Were you involved with the  
25 relief wells in any way, sir?

1 A. Just -- just at the very beginning.

2 Q. Were there any design changes with the  
3 seal assembly or are you familiar with the  
4 term "OD lock ring"?

5 A. I'm not aware of any design changes.

6 Q. Okay. So you wouldn't know if BP ran  
7 the seal assembly without an OD lock ring on  
8 the relief well?

9 A. No, I don't know that, sir.

10 Q. Okay. Are you familiar with the term  
11 "Risk based decision", sir?

12 A. Yes.

13 Q. Okay. How do you evaluate risk within  
14 BP? Can you walk through just a high level  
15 synopsis of how you manage risk?

16 A. Uh --

17 Q. Because earlier you -- I'm not trying  
18 to put words in your mouth, but earlier Mr.  
19 Hafle had testified and he had mentioned

20 something about a risk register. Is that

21 something within -- a program within BP?

22 A. Yes, sir.

23 Q. Okay. Can you elaborate on what the

24 risk register is?

25 A. At the beginning of a well the

1 engineers put together what is called a risk  
2 register. Different wells have different  
3 complications. They're all different. And  
4 they go through and identify like for instance  
5 is there a narrow pore pressure fracture  
6 gradient window.

7 Q. Okay.

8 A. Is there shallow hazards, those type --  
9 those type of risks. And once they're  
10 identified then they go into a plan which  
11 would be called a risk mitigation plan where  
12 they actually work on these particular risks.  
13 To a rigger that is necessary. And then  
14 that's done before the well and then, as the  
15 well is being drilled, maybe additional risks  
16 become, you know -- you find other risks that  
17 you didn't know you were going to find and  
18 then you have to incorporate those.

19 Q. Okay. I have a list of risk based

20 decisions and I think there's a list that, if  
21 you can't read that, there should be a list  
22 right in front of you. And this is not an MBI  
23 number, this is a document that was provided  
24 to all PIIs as an exhibit before the hearing.  
25 Is that what you have in front of you, sir?

1 At the top it says "Risk based decisions"?

2 A. Yes, sir.

3 Q. Okay. Did BP make a risk based  
4 decision on running the casing with only six  
5 centralizers?

6 A. Yes, sir.

7 Q. Which option was safer: Running 21 or  
8 6?

9 A. I don't think there was -- in my  
10 personal opinion either was okay.

11 Q. Okay. Which was one was cheapest?

12 A. I don't think there's a huge economic  
13 change in either one.

14 Q. Okay, understood. Did BP make a risk  
15 based decision on not performing the cement  
16 bond long with Schlumberger?

17 A. Yes, sir.

18 Q. Which option was safest: Running the  
19 cement bond log or not running it?

20           A. The risk based decision was based on  
21           how the cement job went and all the indicators  
22           of the actual cement job indicated that it was  
23           -- it was successful. So it met it's risk  
24           based decision.

25           Q. Which option is cheapest: Not running

1 the cement bond log or running it?

2 A. It's cheaper not to run it.

3 Q. Okay. Did BP make a risk based  
4 decision on the well design between a long  
5 string versus a tieback?

6 A. Yes, sir.

7 Q. Which options were safest in terms of  
8 barriers?

9 A. The long string -- I'm sorry, the  
10 tieback does provide one additional barrier.

11 Q. Okay. And which option was cheapest?

12 A. Money was not a factor in that  
13 decision.

14 Q. Even though in the management of change  
15 document it referenced a \$7,000,000 to  
16 \$10,000,000 savings?

17 A. It references it, but it was not a  
18 factor in the decision.

19 Q. Did BP make a risk based decision on

20 running the seal assembly without an OD lock

21 ring? Are you familiar with what an OD lock

22 ring is? Not a lockdown sleeve, the OD lock

23 ring?

24 A. Yes, sir. I'm familiar. No, I don't

25 recall ever running a -- a OD lock ring on any

1 of the wells.

2 Q. Do you know why that was carried over  
3 into deep water?

4 A. I really don't. I've never -- I've  
5 never run one that had the OD, the OD lock  
6 ring.

7 Q. Do you know if it's a decommission  
8 issue, if it's an additional trip?

9 A. I really don't because I've never --  
10 I've never used one.

11 Q. Okay. Did BP make a risk based  
12 decision on modifying the stack of changing a  
13 variable bore ram to a test ram?

14 A. I was not involved in that. That was  
15 before my -- my time on the HORIZON. So I'm  
16 not sure about the documentation, sir.

17 Q. Alright. Do you know which one -- are  
18 you aware that that reduces the overall  
19 redundancy of the stack?

20 A. Oh, yes, sir. I do.

21 Q. Okay. Did BP make a risk based

22 decision on pumping a 450 barrel loss

23 circulation material across the BOP's choke

24 and kill lines?

25 A. I don't know if there was an actual

1 risk assessment, but I know that whenever you  
2 pump a spacer, when you have a spacer between  
3 mud and seawater, that it is going to go past  
4 the BOP stack at some time.

5 Q. Had you ever seen a 450 barrel spacer  
6 made up of LCM?

7 A. The spacer -- the answer to that is no,  
8 but I need to clarify that this spacer that  
9 was already premixed in the pits was not a --  
10 a particle based LCM pill.

11 Q. Okay. Did BP make a risk based  
12 decision on the cement modeling of the  
13 production casing?

14 A. Yes.

15 Q. Which option was safest: Going forward  
16 with the proven model or questioning it?

17 A. It was -- in my opinion it was not a  
18 proven model because it -- sometimes it was  
19 right and sometimes it was wrong.

20 Q. And how many times in the past did  
21 y'all actually go against the model on  
22 cementing operations, specifically OptiCem?

23 A. They ran OptiCem on almost every string  
24 and usually OptiCem said that we wouldn't  
25 circulate, but we still cemented the well.

1 Q. Did BP make a risk based decision on  
2 circulating bottoms-up in the production  
3 casing zone?

4 A. Yes.

5 Q. Which option is safest, circulating  
6 bottoms-up or skipping that step?

7 A. Are you referencing the condition trip,  
8 sir, or --

9 Q. Yes.

10 A. -- on the conditioning trip?

11 Q. Yes, sir.

12 A. It's safer to circulate bottoms-up and  
13 we did on the conditioning trip.

14 Q. Does not running it increase rig  
15 efficiency and over all reduce the cost of the  
16 well?

17 A. On the conditioning trip, sir?

18 Q. Yes, sir. On the casing trip.

19 A. Oh, the casing trip?

20 Q. Yes, sir.

21 A. Yeah. There was a -- that was a good

22 discussion on not circulating bottoms-up on

23 that particular -- in that particular case,

24 yes.

25 Q. Did BP make a risk based decision in

1 allowing the transfer of fluids from different  
2 junctures across the rig, which made it  
3 difficult for operations, the people  
4 responsible for monitoring those fluids, to  
5 adequately determine what was going on?

6 A. I was not on the rig, sir.

7 Q. Okay.

8 A. But --

9 Q. Was it a common practice of BP to  
10 displace the riser, bypass the sand traps to  
11 the pits and then go to offload to the DAMON  
12 BANKSTON or any offshore vessel during the  
13 same time?

14 A. I can't just answer that yes or no.

15 Q. Is it a safe practice?

16 A. The rig is set up that you can isolate  
17 pits and therefore you can monitor certain  
18 pits. You can not bypass the flow meter and  
19 go overboard. You have to go to -- through

20 the flow meter and then into the sand traps  
21 and then you've got to go overboard with it.  
22 And, because you have the ability to isolate  
23 the pits and you have two separate entities,  
24 two separate crews. You have a drill crew  
25 that is working on the well, that is their

1 responsibility. So they're monitoring the  
2 well. You have a different crew, the deck  
3 crew, that will be transferring fluid from the  
4 pits to the boat. These pits are isolated.  
5 So I believe it's -- it can be done safely.

6 Q. Okay. And just looking at overall all  
7 these risk based decisions again, is it true  
8 that decisions were made in large part by cost  
9 savings on the well as opposed to the actual  
10 safety of those employees working on the well?

11 A. Never.

12 Q. So cost savings is never just in the  
13 picture?

14 A. Never. When it comes to safety never.

15 Q. Also, when we were just talking about  
16 the actual monitoring and the actual idea of  
17 what's going on on the rig, do you think in  
18 any way that the activity that was going -- I  
19 know you weren't out there, but do you think

20 in any way that the VIP trip to the DEEPWATER  
21 HORIZON the day of the incident, when they had  
22 all the operations going on in the well  
23 displacing the riser, trying to understand  
24 what was going on with the negative test, do  
25 you think there's any way that the VIP trip

1       could have implicated anyone's interpretation  
2       of what was going on real time on that well?

3       A. No.

4                   MR. MATHEWS:

5                   Thank you. I have no further  
6                   questions and I appreciate your  
7                   answers, sir.

8                   THE WITNESS:

9                   Thank you.

10                  MR. McCARROLL:

11                  I have no questions at this time.

12                  E X A M I N A T I O N

13       BY MR. DYKES:

14       Q. Back when we were discussing the casing  
15       design you made the -- you answered one of the  
16       questions regarding the long string having  
17       better wellbore integrity. What exactly do  
18       you mean by that?

19       A. Long string is a continuous string.

20 There is no gaps in it. If you do a riser --

21 I'm sorry, if you do a liner and a tieback you

22 have a potential lead path in the PDR section

23 where you actually sting the tieback into --

24 into the liner.

25 Q. Okay. Do you know what the anticipated

1 pay out time was going to be on this wellbore  
2 once it was brought on production?

3 A. No, sir. I don't.

4 Q. Okay. Who -- you made the statement  
5 earlier that you don't directly interact with  
6 the land group or the subsea group within BP  
7 in dealing with the Anadarko and the MOEX  
8 partners. Do you know who within your group  
9 interfaces with the outside partners?

10 A. If I can make a clarification there: It  
11 wasn't subsea, it was subsurface.

12 Q. Subsurface, I'm sorry.

13 A. Yeah. And the subsurface people are  
14 usually the ones that deal with the partners.  
15 We don't deal with them. The drilling group  
16 does not deal with them.

17 Q. So at no time does the subsurface and  
18 the land group interact with your group to  
19 gather information to share with the partners

20 on the well?

21 A. Yes, sir. They do. We provide them

22 some information, what exactly is shared to

23 the partners I really don't know.

24 Q. Okay. But who in your group interfaces

25 with the subsurface group within BP?

1           A. We all do in the engineering part that  
2           is. And the engineer would give the  
3           subsurface people documents to give to the  
4           partners.

5           Q. Okay. Regarding the 425 or 450 barrel  
6           lost circulation spacer that was used, you  
7           indicated that the -- the pill, the LCM pill,  
8           was not particle based, is that correct?

9           A. That is correct.

10          Q. If you knew or if you had the  
11          information that it was going to be a particle  
12          based pill and being used as a spacer, would  
13          that raise any concerns with you for it being  
14          used as a spacer in this wellbore?

15          A. I don't -- I don't believe that we  
16          would use it and I also don't believe that MI  
17          would have recommended to use it.

18          Q. Okay. I have no other questions.

19                 CAPT NGUYEN:

20                           At this time we'll take a 15  
21                   minutes break we will reconvene at  
22                   9:45.  
23           (Whereupon, a short break was taken off the  
24           record.)  
25                   CAPT NGUYEN:

1                   Mr. Guide, you are reminded that  
2                   you are still under oath, sir.

3                   THE WITNESS:

4                   Yes, sir.

5                   CAPT NGUYEN:

6                   Mr. Dykes has some follow up  
7                   questions for you.

8                   E X A M I N A T I O N

9                   BY MR. DYKES:

10                  Q. Mr. Guide, I have one follow up  
11                  question: Regarding the circulating bottoms-up  
12                  on the casing run. When they landed the long  
13                  string of casing the decision was made not to  
14                  circulate complete bottoms-up. What was the  
15                  reasoning for that?

16                  A. When we were actually drilling the well  
17                  we got to a depth of 18,260 feet, which was  
18                  not TD yet. And it appeared that the under  
19                  reamer was worn out and we circulated bottoms-

20 up a couple of times getting all of the  
21 cuttings out. And what we routinely do is,  
22 once we get the cuttings out, the ECD is lower  
23 so we add a little bit of mud weight to  
24 replace that. So when the static mud weight  
25 is -- it's equal. And, when we did that,

1 everything was fine and all the sudden we just  
2 lost complete returns. The biggest risk that  
3 was associated with this cement job was losing  
4 circulation. That was the number-1 risk. So,  
5 based on the fact that we had lost circulation  
6 just like that out of the clear blue, we  
7 decided to go ahead and get circulation  
8 established and then, because of the actual  
9 volumes, we would actually have bottoms-up  
10 above the wellhead once the cement was in  
11 place. And then we'd be able to circulate  
12 that out and see if there was any gas. So  
13 that was our plan.

14 MR. DYKES:

15 Okay. Thank you.

16 EXAMINATION

17 BY CAPT NGUYEN:

18 Q. Mr. Guide, I have a few questions for  
19 you. You indicated your last certificate for

20 well control school was 2007, 2008?

21 A. 2008, sir.

22 Q. Yes, sir. How many well control

23 schools do you go to? Was that just the one

24 time or --

25 A. No, every two years at least.

1 Q. Okay. So how many can -- do you  
2 remember how many total that you went to?

3 A. I don't remember exactly, but I've been  
4 certified for a long time.

5 Q. Yes, sir.

6 A. I just don't remember exactly how many,  
7 sir.

8 Q. Okay.

9 MR. STETLER:

10 What's your best estimate?

11 THE WITNESS:

12 20, 15.

13 BY CAPT NGUYEN:

14 Q. Okay. Now you've been with BP since  
15 2000, is that right, sir?

16 A. Yes, sir.

17 Q. So you are very familiar with BP's  
18 safety management system?

19 A. Yes, sir.

20 Q. Okay. As the well team leader for the  
21 DEEPWATER HORIZON, how do you ensure that  
22 safety was properly addressed in the well  
23 design plan and construction operation?

24 A. I'm sorry, sir. Could you please  
25 repeat that?

1 Q. Yes, sir. As the well team leader how  
2 do you ensure safety was properly addressed in  
3 the well design plan and construction  
4 operation? How do you ensure that, safety?

5 A. Can I ask a clarifying -- are you  
6 talking about the actual design of the well or  
7 are you talking about at the rig site, sir?

8 Q. In terms of the design and the  
9 construction and operation. In terms of your  
10 responsibility as the well team leader.

11 A. Okay, sir. The well design is actually  
12 done by the engineering group. Then it is  
13 passed onto the operations group, which is  
14 what I'm in. And then we -- we implement the  
15 job. The actual safety on the rig is run by  
16 Transocean. We follow their safety management  
17 system. And they have procedures in place for  
18 actually doing the job, you know, the physical  
19 part of running pipe in the hole, pulling pipe

20 out of the hole. We operate under  
21 Transocean's safety management system.  
22 Q. My understanding in the testimony that  
23 we've received before and that is -- my  
24 understanding is there's bridging documents  
25 between Transocean and BP. So really you're

1 not operating under Transocean safety  
2 management system, is that correct, sir?

3 A. No, sir. We operate under Transocean's  
4 safety management system.

5 Q. Okay. If -- now the contractors of  
6 Transocean work for BP, right?

7 A. Yes.

8 Q. And the third party contractors work  
9 for BP, right?

10 A. Yes.

11 Q. So how do you ensure that -- how do you  
12 ensure that third party contractors comply to  
13 Transocean's safety management system?

14 A. The people that work out there know  
15 before they go and when they get there that  
16 they are responsible to operate under  
17 Transocean's safety management system.

18 Q. Can you describe what's Transocean's  
19 safety management system on the DEEPWATER

20 HORIZON?

21 A. Yes, sir. There's several factors to  
22 it. There's a START Program, which is similar  
23 to STOP. It's -- different people call them  
24 different things. Where you have observations  
25 by the crew. Of course we look at all this

1 data to see if we see any trending in any  
2 issues. Then we have a prompt card. A prompt  
3 card is something you can keep in your pocket.  
4 When you walk around and you're getting ready  
5 to do a job you can take this card out and you  
6 have various list of things to go through to  
7 remind you of maybe hazards and/or things that  
8 you need to have in place. Then all jobs have  
9 a JSEA, which is a job safety analysis or it's  
10 also called a THINK Plan by Transocean. And  
11 these are to be filled out by the individuals  
12 who perform the work. If you are not part of  
13 the THINK Plan then you have to stop and take  
14 a time out if you want someone else to join  
15 the THINK Plan and have to go through it  
16 again. The major tasks are called Task  
17 Specific THINK Plans where there's a much more  
18 extensive analysis done, which includes a  
19 safety risk assessment. And it has to be

20 signed off by all the parties involved.

21 That's the basic fundamental safety management

22 system on the day by day basis.

23 Q. Okay. So is it your -- are there

24 safety conditions that have been identified

25 when an operation can be stopped?

1           A. Yes, sir. Everyone on the rig has the  
2 right to stop the job at any time.

3           Q. Having a right is one thing, but what  
4 are the specific safety conditions that they  
5 can exercise that right?

6           A. If they see something that they are not  
7 comfortable with or they see an action  
8 someone's doing something that they consider  
9 unsafe then they have the right to stop.

10          Q. That's pretty general guidelines for  
11 very expensive and complex operation, isn't  
12 it?

13          A. There are guidelines -- I'm sorry,  
14 Transocean's guidelines are -- and BP's are  
15 very -- are very specific. Anyone has the  
16 right to stop the job. If they don't  
17 understand what's going on they can stop it.

18          Q. Has anybody ever stopped an operation  
19 that they don't understand what's going on

20 that you're aware of?

21 A. Yes, sir. And we even keep track. We  
22 get a morning report that's called "Time out  
23 for safety" and they will have observations on  
24 there for a time out -- a time out that was  
25 called for safety.

1 Q. During the drilling of the Macondo well  
2 was there any instances where people exercised  
3 their right to stop an operation that you're  
4 aware of?

5 A. Yes, there were.

6 Q. What were they?

7 A. They were mainly in lifting type  
8 operations where somebody might not be in the  
9 right place and they wanted to make sure that  
10 he was -- he or she was in the right place  
11 when something was being lifted prior to the  
12 lift starting. Things of that nature.

13 Q. About what -- particularly of the  
14 drilling operation and the construction  
15 operation?

16 A. I don't recall really about the actual  
17 wellbore construction operation, sir.

18 Q. Yes, sir. Now is there an on scene  
19 safety officer?

20 A. There is a safety representative from

21 Transocean.

22 Q. From Transocean?

23 A. Yes, sir.

24 Q. And who does that person work for?

25 A. He works for Transocean.

1 Q. They work for Transocean. And

2 Transocean works for BP?

3 A. Yes.

4 Q. So having a -- do you have a separate

5 contractor to serve in that capacity or is

6 that just a Transocean person serving as the

7 safety officer?

8 A. We had the Transocean person and every

9 couple of weeks we would send a BP rep out as

10 well. And usually what their role was was to

11 do -- see how the operation was going and

12 concentrate on a specific assessment. Let's

13 say lifting and/or hand safety, things like

14 that when they were there.

15 Q. Yes, sir. But having somebody on there

16 24/7 and is a Transocean person isn't that set

17 up accomplished of interest in terms of the

18 fox guarding the hen house there that the

19 safety officer, since he works for BP, he

20 would not intervene with stopping an

21 operation?

22 A. No. I think that -- he's really not a

23 safety officer. He's not like a policeman so

24 to speak. He -- he gets involved in the

25 operations to make sure that -- that the

1 necessary risks are being identified and that  
2 any safety issues are addressed. The culture  
3 on the rig is everyone wants to be safe.

4 Q. Well, culture is one thing, but  
5 enforcement and ensuring that this, you know,  
6 safety net aboard a vessel is another thing,  
7 right? Now, who decided that the DEEPWATER  
8 HORIZON was a suitable platform for this  
9 particular job?

10 A. It was just -- I guess -- I don't know  
11 how to answer that. I'm sorry.

12 Q. Who vet -- who vet and approved the  
13 deployment of the DEEPWATER HORIZON? Which  
14 department in BP that vet the vessel?

15 A. That was done through the upper  
16 drilling management and more of the, you know,  
17 upper level people.

18 Q. And you don't know who?

19 A. Who signed the contract, sir?

20 Q. Who went through and did an audit on  
21 the HORIZON to determine that it was suitable  
22 for the operation?

23 A. I don't know that. That was done in  
24 2000 and I'm not aware on who that was, sir.

25 Q. Would it be Mr. Neil Cramond, the Gulf

1 of Mexico Maritime Authority? Would it be his  
2 group that vet and approved the deployment of  
3 the DEEPWATER HORIZON?

4 A. I'm not sure if they were the  
5 individuals in place in 2000.

6 Q. Okay. Would it be that position, that  
7 office, that makes the -- that do the vetting  
8 and -- and approval?

9 A. The -- the new rigs that have come into  
10 the fleet, the BP fleet, have -- have been  
11 vetted by the rig audit and the marine group.

12 Q. Okay. So it would be the marine  
13 authority that determines the ability of the  
14 vessel?

15 A. And the rig audit for the actual  
16 drilling machinery side.

17 Q. Yes, sir. I understand. Do you know  
18 whether Anadarko or MOEX participates in that  
19 decision?

20 A. I do not know.

21 Q. In terms of the BP September 2009

22 maritime assurance audit, who is responsible

23 to monitor whether those items, those

24 discrepancies, were corrected within BP?

25 A. The marine group would send out an

1 individual and they would go through the  
2 progress and then report back.

3 Q. Okay. Report back. Who determined  
4 whether the progress made on those -- on  
5 resolving those discrepancies was efficient  
6 for the DEEPWATER HORIZON to continue  
7 operation?

8 A. That was the actual marine group.

9 Q. So --

10 A. The people in the marine group.

11 Q. So, if Mr. Neil Cramond, who is the  
12 Gulf of Mexico Marine Authority, that would be  
13 his group's decision whether the vessel was --  
14 would continue suitability for operation, is  
15 that correct?

16 A. Yes, sir. It would have been the  
17 people in his group.

18 Q. Okay. Now I think part of that audit  
19 point out there was some discrepancy with the

20 BOP and this was in September 2009. I don't  
21 have it in here specifically, but there was  
22 some -- it was pointed out that there was some  
23 problem with the BOP. Now this audit was done  
24 in September 2009 and the DEEPWATER HORIZON  
25 was not on the Macondo well, is that correct?

1 A. That's correct, sir.

2 Q. And that particular discrepancy with  
3 the BOP to my understanding was not corrected  
4 by the time the DEEPWATER HORIZON was on  
5 station and working. Who made -- why wasn't  
6 it -- why wasn't BP required that the BOP  
7 discrepancy corrected before deployment on the  
8 Macondo well? Why and who made that decision?

9 A. Are you referencing the recommended  
10 practice for the bonnets? Is that what we're  
11 referencing?

12 MR. MATHEWS:

13 I believe he's referencing the API  
14 OEM recommendation, the major  
15 inspection for APIRP53, which was  
16 required every three to five years and  
17 it referenced I think the documents,  
18 both of them, the one -- the September  
19 2009 BP audit and the MODU spec audit

20 indicated that both those -- the only  
21 major inspection that we could identify  
22 and a response from a subpoena that we  
23 received that the only time that had  
24 been done was in 2000. I think what  
25 the Captain's trying to ask is why when

1           you had a chance to go from one  
2           location to another why didn't you,  
3           when you pulled the stack up, perform  
4           the major inspection.

5           **THE WITNESS:**

6                         We did. I'm sorry, Transocean  
7           inspected the BOP stack thoroughly  
8           every time it was pulled. In fact it  
9           would usually take anywhere from seven  
10          to nine days to do the actual  
11          inspection on the BOP stack. And it  
12          was gone through from top to bottom. I  
13          am not a BOP expert, but I do know that  
14          we, as in BP, allotted them the time to  
15          inspect and do any maintenance on the  
16          BOP stack every time it was on the  
17          deck.

18          **MR. MATHEWS:**

19                         Did it ever drydock the DEEPWATER

20 HORIZON, do you know? Did it ever go

21 to the beach and have maintenance done

22 on it there, sir?

23 THE WITNESS:

24 Not that I'm aware of. There was a

25 U-WALL (phonetic) done in 2009. The

1 vessel was scheduled to go into dry  
2 dock in 2011, which was going to be an  
3 extensive -- I believe it was going to  
4 be a minimum of 60 days.

5 MR. MATHEWS:

6 Okay. And I know you just said  
7 that Transocean inspected the BOP stack  
8 every time they pulled it before they  
9 went to another location, is that what  
10 you consider an APIRP53 major  
11 inspection?

12 THE WITNESS:

13 I can't answer that.

14 MR. MATHEWS:

15 Okay. Thank you, sir.

16 BY CAPT NGUYEN:

17 Q. I understand from your testimony that  
18 the Marine Authority is responsible for  
19 determining the qualification of the

20        suitability of the vessel and the  
21        qualification of the marine personnel, is that  
22        correct?

23            A. They were the people from BP that were  
24        involved with Transocean on any marine issue.

25            Q. Yes, sir. Vessel and personnel. Now

1       who with BP and how do they determine the  
2       qualifications of the drilling crew and third  
3       party contractors and how was it determined?

4           A.   Transocean was responsible for  
5       supplying qualified people.  So it was up to  
6       Transocean to supply qualified people and it  
7       was the same with our other third party  
8       contractors, which would be Halliburton and M-  
9       I, etcetera.  Whenever we did get a new person  
10      from a third party contractor we would review  
11      the resumes, we would talk to the people, talk  
12      to the management of the company, the service  
13      company, before the people went out.

14          Q.   Okay.  So they are responsible with BP,  
15      to confirm that they are actually qualified?

16          A.   The third party.

17          Q.   The third party?

18          A.   Yes.

19          Q.   Not the Transocean personnel?

20           A. We saw what their training matrix was  
21           and what training they had, but it was up to  
22           Transocean to supply qualified people.

23           Q. Yes, sir. Now, yesterday I think  
24           there's the April 18 Halliburton casing design  
25           report. Can we put that up? Now, my

1 understanding is the relationship between the  
2 well site leader and the well -- he receives  
3 direction from you as the well team leader, is  
4 that correct?

5 A. Yes, sir.

6 Q. Do you see this report from Halliburton  
7 that was produced on I guess April 18th where,  
8 if you notice on the bottom of the exhibit  
9 there, it's about the gas flow problem. Do  
10 you see that?

11 A. I did not see that on the 18th. I did  
12 see it after the incident.

13 Q. Okay. Would it be something that --  
14 this report right here would be something that  
15 you would review in terms of your daily  
16 interaction, involvement with this operation?

17 A. This particular report is -- is part of  
18 the simulation --

19 Q. Yes, sir.

20           A. -- run. There's usually with numerous  
21           other attachments. The well site leader and I  
22           would discuss the actual cementing procedure  
23           itself, which is a completely different  
24           attachment, which would talk about the  
25           composition of the cement, the pump time, the

1 compressive strengths, etcetera. This is just  
2 part of the simulation, which we did not  
3 discuss simulations.

4 Q. Okay. Mr. Sepulvado was saying that  
5 yesterday -- Tuesday during his testimony he  
6 testified that he departed that MODU on April  
7 16th so that he did not see this particular  
8 information. Do you know if Mr. Kaluza or Mr.  
9 Vidrine was aware of this piece of  
10 information?

11 A. I'm not aware if they were.

12 Q. So it was never brought up in your  
13 discussion with Mr. Vidrine or Mr. Kaluza  
14 prior to the casualty?

15 A. No, sir.

16 Q. Okay. Now, Mr. Mathews showed you  
17 three different I guess MOC, management of  
18 change, I believe. One was on April 14th , one  
19 was on April 15th and I believe the other one

20 was on April 7th. All three documents. Now all  
21 the individuals listed on these three  
22 documents are they all BP personnel? In the  
23 level-1 review, the level-1 approval, all the  
24 names there. Can you look at the names and  
25 identify any non-BP now?

1 A. Okay.

2 MR. STETLER:

3 Captain, would you like him to take  
4 them one by one and then --

5 CAPT NGUYEN:

6 Yes, sir. Okay.

7 MR. STETLER:

8 Just take them one by one --

9 CAPT NGUYEN:

10 Sure.

11 MR. STETLER:

12 -- identify --

13 BY CAPT NGUYEN:

14 Q. Take a look at Exhibit-BP-HZN-

15 MBI00143255.

16 A. Yes, all the -- all the level-1 are BP  
17 employees.

18 Q. Okay. From Mr. Hafle, who is the  
19 originator, and the reviewers and the

20        approvers they are all BP personnel?

21        A.    Yes, sir. They're BP.

22        Q.    Yes, sir. How about document

23        BP-HZN-MBI00143259?

24        A.    Yes, sir. These are BP employees.

25        Q.    Okay. Document BP-HZN-MBI00143292.

1           A. Yes, Captain. These are BP employees.

2           Q. Yes, sir. So, based on your testimony,  
3 while third party contractors and partners  
4 such as in this case Anadarko and MOEX  
5 Offshore provide input into the process, at  
6 the end of the day it's BP that reviews the  
7 change and approve the change, is that  
8 correct, based on what I see in front of me?

9           A. Yes, sir.

10          Q. Okay. Now for document BP-HZN-  
11 MBI00143259 the date is April 14th. On the  
12 second page I see Mr. Patrick O'Bryan and I  
13 understand -- what is his position within BP?

14          A. Mr. O'Bryan is the vice president of  
15 drilling and completion for the Gulf of Mexico  
16 SPU.

17          Q. Yes, sir. And I'm looking at all three  
18 of these documents only one of which has Mr.  
19 O'Bryan's name on it. Is there a -- what's

20 the reason for -- is it normal for the VP of  
21 drilling and completion to be part of this  
22 process and why is it that his name is only in  
23 one of three changes that I see in front of  
24 me?  
25 A. I -- I don't know what Mr. O'Bryan is

1 on this particular document as a level-1  
2 approver. I was not under the impression that  
3 he had to be.

4 Q. But, since his name is on it, and I  
5 don't see any indication on here that he's  
6 approved it. But the impression I get is that  
7 he was involved in the construction of this  
8 well, is that correct, as VP of drilling and  
9 completion?

10 A. He was aware of the day to day  
11 operations. I don't believe he had the  
12 intimate details of the actual engineering  
13 design on --

14 Q. Okay.

15 A. -- the --

16 Q. But he has knowledge and -- general  
17 knowledge of the well design and the day to  
18 day operation, is that right?

19 A. Yes, Captain.

20           Q. That's right. Now, also using these  
21           documents there was two management of change  
22           on the 14th and the 15th. If we can go back to  
23           the document that Mr. Mathews got from the BP  
24           website this is the one the BP drilling and  
25           well operation policy BPAD--001.

1 A. Yes, sir.

2 Q. Yes, sir. Now I believe that on page-  
3 4, the second paragraph I think you read that  
4 before.

5 A. Yes.

6 Q. It's about a business unit leader. Can  
7 you read that again for me please, sir?

8 A. "The business unit leader is  
9 accountable to ensure that any deviation from  
10 policy and established procedures and all non-  
11 routine operations have undergone a formal  
12 risk assessment and the appropriate measures  
13 are taken to manage the risks prior to  
14 performing the operation."

15 Q. Yes, sir. And if you have two MOCs in  
16 one day does that qualify as non-routine at  
17 this late -- at this stage of the project?

18 A. It was -- it was not out of the  
19 ordinary to have to change the depth of the

20 well. And I also considered the tapered  
21 string that was the other MOC because it was  
22 really in line with the basis of the -- the  
23 original basis of design. I don't -- I did  
24 not consider it non-routine.

25 Q. Okay. So based on that, Mr. Jim Dupree

1 should not have been notified as the business  
2 unit leader?

3 A. I don't know if he was -- if he was  
4 notified or not, but I would not consider  
5 either one of those non-routine.

6 Q. It appears that the construction of  
7 this well had, you know, from my non-expert  
8 opinion, problems. For example you indicated  
9 there was three kicks and things like that --

10 A. One -- one kick.

11 Q. One kick, okay. Now it appeared to me  
12 that, you know, you're in a critical period of  
13 operation here. The decision was made to  
14 allow Mr. Sepulvado to attend a routine  
15 training in well control that is required to  
16 be taken every two years I understand and  
17 replaced with Mr. Kaluza who has less  
18 experience than Mr. Sepulvado. And my  
19 understanding he has never served on the

20 DEEPWATER HORIZON, who made that decision?

21 A. We have some folks that keep track of

22 all the placements of the well site leaders.

23 In this particular case Mr. Kaluza was

24 assigned to the PDQ, which was the THUNDER

25 HORSE platform. That rig was shut down for a

1 short period of time. So he was available to  
2 go fill in for the four days. All the well  
3 site leaders are qualified. Some have less  
4 experience than others, but he was available  
5 to fill in.

6 Q. So he was available, but Mr. Sepulvado  
7 had been there for how many weeks?

8 A. He had just been there for a week.

9 Q. Mr. Sepulvado?

10 A. I'm trying to think now. I'm sorry.  
11 I'll have to go back and think of how many  
12 days he had actually been there.

13 Q. But what I'm looking at is here you  
14 have an experienced well site leader that had  
15 been on a vessel for quite a while and this is  
16 during a critical stage of the operation here  
17 and you replace him with somebody who is  
18 available and also allow this more experienced  
19 person to go through a routine training

20 opportunity. Now are you aware if anybody

21 bothered to contact MMS to ask for an

22 extension of the training requirement for Mr.

23 Sepulvado?

24 A. No, we did not contact MMS to get an

25 extension.

1           Q. Was there any risk assessment between  
2 sending him to a routine training versus  
3 keeping him onboard the vessel? Did anybody  
4 assess that instead of, you know, checking a  
5 box because his training's due, so he go or,  
6 you know, somebody go in his slot. How was  
7 that decision made, do you know?

8           A. No, there was no risk assessment done.  
9 We feel that all the well site leaders that  
10 are working for us are qualified. And it was  
11 a critical stage, but running cementing casing  
12 is a part of every well that we drill. So I  
13 don't believe there was any issue with Mr.  
14 Sepulvado going in and taking his required  
15 training. It is required and it is very  
16 important.

17          Q. Were you part of that decision?

18          A. I was informed that he needed to go to  
19 well control school. I was not part of the

20 decision on who was available.

21 Q. But you have no concern of him taking

22 off to school and letting Mr. Kaluza have to

23 take over?

24 A. No, I had no concern for that.

25 Q. What is BP's procedure of relief of a

1 well site leader, is there one?

2 A. Not that I'm aware of. There might be,  
3 but not that I'm aware of.

4 Q. So one shows up on a helicopter, the  
5 other one jumps on and --

6 A. Oh, on. I'm sorry, I'm sorry. I  
7 misunderstood your question. Sorry about  
8 that. What -- what -- everyone's different,  
9 you know, individuals. But what happens is  
10 you write relief notes. In the old days it  
11 would just be handwritten notes. But in this  
12 day and age you send e-mails to each other  
13 usually the day or two before. They also talk  
14 on the phone. We have a system in place that  
15 there's always a well site leader who has been  
16 there. That's the way the schedule is  
17 staggered on purpose to make sure someone is  
18 familiar with the operation. So he would have  
19 gotten what is called hand over notes. He

20 would have gotten a conversation and he would  
21 be working with another well site leader who  
22 has been there.

23 Q. So is there a check list that they go  
24 through, a written check list part of standard  
25 procedure for relief that they go through that

1 they check off, sign and then turn into

2 somebody?

3 A. Not that I'm aware of, no.

4 Q. Okay. What is BP's policy for an off

5 station well site leader to maintain

6 communication with the well team leader? Mr.

7 Sepulvado testified that he went to the

8 school, turned off his cell phone for four

9 days I believe. So he had no communication

10 with, you know, what's going on on the rig or

11 anything. Is that standard procedure or --

12 A. Yes, sir. That's standard procedure.

13 Because he's not on the rig he's not line of

14 sight. And we have the other guys there line

15 of sight. He's going to a critical training

16 that's required by the MMS and BP. So it's --

17 it's standard for him not to, you know, be in

18 contact with the rig.

19 Q. But it seems to me his position as the

20 well site leader, you know, the senior  
21 representative of BP to not to be in contact  
22 for that long period of time, you know, nearly  
23 after he's off the station. Now did Mr.  
24 Sepulvado make a report to you after he was  
25 relieved by Mr. Kaluza saying 'Hey, we're good

1 to go' or anything like that?

2 A. I talked to Mr. Sepulvado before he  
3 left and said, you know, "Be careful. You  
4 know, have a safe trip" and he was going to  
5 school, he needs to go to training.

6 Q. Okay. Well my understanding was that  
7 there was a couple of the VIP from BP that was  
8 onboard the HORIZON at the time of the  
9 casualty Mr. Pat O'Bryan and Mr. David Sims,  
10 is that your understanding also?

11 A. Yes.

12 Q. Okay. What's their relationship?

13 A. Can you be more specific about "Their  
14 relationship"?

15 Q. Yes, sir. Did Mr. O'Bryan work for Mr.  
16 Sims, are they co-equals or from different  
17 units or what?

18 A. Mr. O'Bryan is the vice president of  
19 drilling and completion and intervention for

20 the Gulf of Mexico. Mr. Sims does not report  
21 to him directly, but he does report to Mr.  
22 O'Bryan. All the people that work in the D&C  
23 of BP organization ultimately report to Mr.  
24 O'Bryan.

25 Q. Okay. So Mr. O'Bryan is VP for

1 drilling and completion, as you indicated he's  
2 the senior guy. He has knowledge of the well  
3 design and the daily operation and when he  
4 landed on the DEEPWATER HORIZON he became the  
5 senior BP representative, is that correct?

6 A. I would not see it that way, Captain.  
7 The person who is in charge on the rig is the  
8 well site leader.

9 Q. Okay. Not the -- so, if there's  
10 something going on, the well site leader with  
11 the vice president of drilling and completion  
12 onboard the platform and he's -- he can do  
13 whatever without clearing it with -- Mr.  
14 Kaluza or Mr. Vidrine can do anything without  
15 saying 'Hey, Mr. O'Bryan' without a discussion  
16 with Mr. O'Bryan?

17 A. He can follow the procedure that we  
18 have in place and I'm sure that if there was  
19 an issue that he wanted to discuss he could

20 have discussed it with Mr. Sims or Mr.

21 O'Bryan. The well site leaders just can't do

22 anything that they want to do. We have a

23 procedure.

24 Q. Okay.

25 A. So that's what they're following.

1 Q. That's fine.

2 A. Yeah.

3 Q. But if there was unanticipated  
4 situations and it's not in the plan, would he  
5 ask Mr. O'Bryan for his direction because Mr.  
6 O'Bryan was onboard the vessel?

7 A. I believe he probably would -- the well  
8 site leader would call me first and, if it was  
9 an issue because there are times when the  
10 issues need to be pushed up then the  
11 discussion would be with Mr. Sims. Mr. Sims  
12 is my boss. And if it was by just coincidence  
13 that Mr. O'Bryan was there I'm sure that he  
14 would, you know, have been more than happy and  
15 willing to participate in any conversations.

16 Q. Is it customary or standard procedure  
17 when, you know, the VP for drilling and  
18 completion come out to a rig that he has a  
19 briefing from the well site leader before he's

20 -- before -- I don't know, before his  
21 interaction with Transocean personnel?

22 A. I'm sorry, you're going to have to  
23 repeat that one.

24 Q. Is it customary when the VP of drilling  
25 and completion when he or she arrive on the

1 vessel that they get a briefing from the well  
2 site leader?

3 A. Well, in Mr. O'Bryan's particular case  
4 he sat in a rig briefing with Transocean for  
5 several hours first about safety on the vessel  
6 because he had never been there before. So  
7 that was the first thing that would happen.

8 Q. Okay.

9 A. Then he would sit down and talk to the  
10 well site leader. It also depends on the time  
11 that he got there -- he or she got there,  
12 depending on the operation. I know that he  
13 would not bother the well site leader at the  
14 time if he was in the middle of something.

15 Q. So was there anything that -- are you  
16 aware of whether there was a briefing provided  
17 by Mr. Kaluza or Mr. Vidrine to Mr. O'Bryan on  
18 the 20th?

19 A. I'm not aware of any specific briefing.

20 Q. You don't?

21 A. I'm not aware of any, sir.

22 Q. Okay. Alright, sir.

23 EXAMINATION

24 BY MR. MATHEWS:

25 Q. I just have one question and you just

1 said that you would think that the well site  
2 leader would call you if they had any concern  
3 or question about something they were seeing  
4 on the rig, is that what you just said, sir?

5 A. Yes.

6 Q. Did anyone call you on the 20th about  
7 the interpretation of the negative tests that  
8 were being performed?

9 A. No.

10 Q. Thank you.

11 MR. McCARROLL:

12 I have one follow up, Captain.

13 EXAMINATION

14 BY MR. McCARROLL:

15 Q. So you don't believe that the well site  
16 leader would meet and greet the vice president  
17 when he comes to the rig?

18 A. Yeah. I believe he would meet and  
19 greet him, yes.

20 Q. I would think so, too. Thank you.

21 EXAMINATION

22 BY MR. DYKES:

23 Q. Mr. Guide, you stated earlier that you

24 did not get an opportunity to see the

25 Halliburton report cementing model from April

1 the 18th. Have you read that model? Have you  
2 looked at that model?

3 A. I saw it after the incident, yes, sir.

4 Q. If you had looked at that model prior  
5 to the incident what -- would it send up any  
6 red flags for you?

7 A. If I --

8 Q. Based on what we're seeing here with  
9 gas flow potential?

10 A. We would have huddled up and discussed  
11 it with all the parties involved to see why  
12 it was indicating that. Like I mentioned  
13 before, I didn't even know that that  
14 particular piece was in there because it was  
15 never brought up in any meetings. It was  
16 never brought to my attention the whole time  
17 I've been involved with the HORIZON.

18 Q. Do you know if this report is -- this  
19 model is shared with anyone within Transocean?

20           A. I don't know if it is distributed to  
21           anyone on the rig, which is where it would be.  
22           I know that the actual cementing report that  
23           would go with this would be shared because it  
24           is the actual job. You know, it's not a  
25           simulation, it's not a model. It's the actual

1 job, which the people at the rig face are

2 actually doing.

3 Q. But do you know if it's shared with the

4 Transocean personnel on the rig, such as the

5 OIM or the senior toolpusher?

6 A. I don't know if the model is shared

7 with them or not.

8 Q. Okay. You had stated earlier that you

9 had one change, a management of change,

10 because you were not able to reach the

11 anticipated depth in this well. I understand

12 from the APD that that well was permitted to

13 20,000 feet, is that correct?

14 A. Yes, sir.

15 Q. Did you change the depth of it because

16 you found your anticipated target or you were

17 not able to get down to your anticipated

18 target?

19 A. This well had a main objective and a

20 secondary objective. The main objective was a  
21 top target, which is the reservoir that was  
22 found.

23 Q. Okay.

24 A. There was a secondary exploratory tail,  
25 the whole well's exploratory, but that's what

1       this nomenclature is. When we -- when the  
2       pressures came in different than what we  
3       anticipated and we set the 9 and 7/8ths  
4       drilling liner. At that time the subsurface  
5       staff was informed, you know, "This is the way  
6       forward here. You know, do you guys want to  
7       stop at this particular level and then  
8       continue or if it is successful do you want to  
9       stop?" And because the target was successful  
10      they chose to stop the well at that point.

11                   MR. DYKES:

12                            Okay. Thank you.

13                   E X A M I N A T I O N

14      BY MR. WHEATLEY:

15           Q. Good morning, sir. I just have a few  
16      questions actually related to maintenance of  
17      the rig and I understand that you're not  
18      responsible for that directly, but I'm more  
19      concerned of your level of awareness

20       concerning those issues and how they might  
21       impact the drilling operations. I just have a  
22       few questions to clarify that. Now, if I  
23       recall correctly, you had indicated that you  
24       had seen the BP audit from September of 2009?

25       A. Yes, sir.

1           Q. Okay. And one of the items that's  
2 included in there was the fact that there was  
3 two engines that were well beyond their  
4 scheduled maintenance cycle. Namely they  
5 called for them to be overhauled at 24 hours,  
6 do you recall that?

7           A. I don't recall that directly.

8           Q. Okay. Contained in their -- it had  
9 indicated that those engines were scheduled  
10 for overhaul particularly in May of 2009 and  
11 June of 2009. The fact that they still showed  
12 up in the audit in September would that  
13 concern you?

14          A. I remember discussing the complete  
15 audit with Transocean and giving them the  
16 audit because they're actually given the audit  
17 on the rig and then debriefed by the audit  
18 team. And then it's up to Transocean to come  
19 back with a plan on how they're going to abide

20 by the audit.

21 Q. Were you aware of their plan for  
22 carrying out those scheduled maintenance  
23 cycles?

24 A. I don't recall the exact plan for the  
25 engines.

1 Q. Okay. In 2008, August in particular,  
2 the DEEPWATER HORIZON suffered a total black  
3 out. Were you aware of that instance?

4 A. I do remember that, yes.

5 Q. Okay. Do you recall what the cause of  
6 that incident was?

7 A. I don't remember the exact cause, no.

8 Q. Okay. Do you recall that it possibly  
9 was related to the failure of the governor on  
10 one of the engines?

11 A. I'm sorry, sir. I just don't remember  
12 that exact cause.

13 Q. Okay, thank you. You indicated that  
14 you participate and receive the daily reports  
15 for the DEEPWATER HORIZON, is that correct?

16 A. Yes, sir.

17 Q. Okay. Now you were previously shown  
18 two reports. I believe they're right before  
19 you. One is dated the 24th of February, if you

20 could just take a look at that for me.

21 MR. STETLER:

22 He's playing catch up. It's before

23 him, but it's in a stack.

24 MR. WHEATLEY:

25 Yeah, I understand.

1 THE WITNESS:

2 Okay. I've got the 24th.

3 BY MR. WHEATLEY:

4 Q. Okay. And if I could just direct your  
5 attention to the center portion of the form  
6 where it says "Remarks" and it talks about rig  
7 equipment that is down, waiting on parts are  
8 being repaired. Do you see those items, sir?

9 A. Yes.

10 Q. And there's a list of eight of those.

11 A. Okay.

12 Q. Number-4 says "Number-2 thruster is out  
13 of service. Parts on order", correct?

14 A. Yes, sir.

15 Q. Okay. Number-5 says "Number-4 engine  
16 down", it doesn't give a further explanation.  
17 Number-8 says "Pilot leak on the BOPs".

18 A. Yes, sir.

19 Q. Okay. If you could look at the other

20 daily report from the 13th of March. And if  
21 you could look at those same -- the "Remarks"  
22 section in the center of the page. Are those  
23 same eight items also on that report as well?

24 A. Yes, sir.

25 Q. Okay. The fact that these show up

1 almost three weeks later essentially in the  
2 same verbage and language does that raise any  
3 concerns with you, as a well team leader, in  
4 the operation of the drilling process?

5 A. With exception of the engine, which I  
6 don't recall, the other items were on there  
7 for a long time mainly waiting on either parts  
8 or the number-2 thruster -- I'm sorry, it also  
9 had parts. The number-2 riser tensioner could  
10 not be repaired until we pulled the BOP stack  
11 and it was going to be repaired when we pulled  
12 the BOP stack. But other than that these were  
13 mainly long term items that appeared on  
14 numerous reports.

15 Q. Okay. Yesterday when Mr. Sepulvado  
16 testified I asked him a question: If he had in  
17 looking at these reports a threshold that if  
18 he saw the same items appearing time and time  
19 again on these daily reports to which he might

20 pursue additional support from your level or  
21 otherwise from above him. Do you have a  
22 similar threshold? Is there some number of  
23 times in which this would appear on a daily  
24 report that would raise your concerns to where  
25 you might go to some additional authorities to

1 try and get these resolved?

2 A. Yes, sir. And that's why I know the  
3 status of these because we discussed it with  
4 the Transocean people and they gave us the  
5 different responses on the different time  
6 frames on when they were going to have these  
7 pieces replaced and fixed.

8 Q. Okay. If you were unsatisfied with the  
9 progress being made by Transocean, who would  
10 you go to try and gain their compliance?

11 A. Paul Johnson was rig manager. He was  
12 the person I would contact first.

13 Q. Okay. During your daily meetings does  
14 a member of the Marine Authority Group  
15 participate in those?

16 A. On occasion. Not everyday.

17 Q. Okay. How frequently do they  
18 participate? Once a week, once a month?

19 A. Closer to once a month.

20 Q. Okay. So at least once a month we'll  
21 say a member of their group would be aware of  
22 the various maintenance and related issues  
23 that were ongoing?

24 A. Yes, sir.

25 Q. So they would have some level of

1 awareness?

2 A. Yes, sir.

3 Q. Okay. Do you know if ever, based upon  
4 your conversations and your meetings, did  
5 anybody ever report any of these maintenance  
6 items either to the Coast Guard or one of the  
7 Maritime Classification Societies related to  
8 the DEEPWATER HORIZON?

9 A. I don't know if Transocean reported any  
10 items or not.

11 Q. Okay. But, as far as you know, no one  
12 in the BP did -- within BP?

13 A. Not that I'm aware of.

14 Q. Okay. Sir, are you familiar with  
15 Maritime Classification Societies as it  
16 relates to offshore drilling platforms?

17 A. Not really, sir. No.

18 Q. So you don't really understand what  
19 their role is in basically the inspection,

20 certification and classification of the

21 vessel?

22 A. No, sir.

23 Q. Okay. Mr. Guide, did you ever visit

24 the DEEPWATER HORIZON?

25 A. Yes, sir.

1 Q. And what was the nature of your visit?

2 A. I would go to see the crew, see the  
3 well site leaders, talk to the -- all the  
4 third party folks, you know, just for general  
5 visits. Usually did not have any -- any plan  
6 or major agenda. Just to go out and see how  
7 everyone's doing, how's the operation running.  
8 Do a safety walk around to see the overall  
9 condition of the rig and talk to the people,  
10 see what's on their mind.

11 Q. Do you recall when your last visit to  
12 the DEEPWATER HORIZON was?

13 A. It was at the beginning of February.

14 Q. Okay. Do you recall whether or not you  
15 discussed any particular safety items at that  
16 time?

17 A. We discussed dropped objects and hand  
18 placement because that was a theme that we  
19 were concentrating on throughout the whole

20 Gulf of Mexico, the whole fleet.

21 Q. Do you recall whether or not any of  
22 those safety discussions related to delayed or  
23 deferred maintenance onboard the vessel?

24 A. We did go through with the Transocean  
25 people onboard about any progress being made

1 on the maintenance issues and any issues any  
2 way we could help.

3 Q. Uh-huh (affirmative reply). Were you  
4 satisfied with their explanations concerning  
5 progress on those delayed items?

6 A. Yes, sir. I was.

7 MR. WHEATLEY:

8 Okay. Thank you, sir. I have no  
9 further questions at this point.

10 E X A M I N A T I O N

11 BY CAPT NGUYEN:

12 Q. Mr. Guide, a couple of follow up  
13 questions. You indicated that all personnel,  
14 BP, third parties, Transocean, use and comply  
15 with Transocean's safety management system, is  
16 that correct?

17 A. Yes, sir.

18 Q. Okay. Now, based on previous  
19 testimonies, senior personnel, including the

20 masters on the DEEPWATER HORIZON, did not  
21 recall some of the basic specifics regarding  
22 the safety management -- the vessel safety  
23 management system. The organization that did  
24 the audit of the safety management system the  
25 surveyor did not recall very much. Did BP

1 receive the results of the DNV safety  
2 management system audit, the last one? Did  
3 Mr. -- if you didn't receive it, is it the  
4 Marine Authority Group or is it your group or  
5 which group would receive the results of the  
6 safety management system audit?

7 A. I did not receive it. I'm not sure.

8 Q. Yes, sir. So what I'm looking at is,  
9 you know, we're basing a lot of things here on  
10 the vessel safety management system. It  
11 appears to me that there's lack of knowledge  
12 of a system there's, you know, a lot of  
13 overdue maintenance issues here. Are you  
14 comfortable with the effectiveness of the  
15 vessel's safety management system? I know you  
16 use it and you comply to it, but are you  
17 comfortable with the effectiveness of the  
18 safety management system onboard the DEEPWATER  
19 HORIZON?

20           A. We trust Transocean to run an effective  
21           safe operation. We use their safety  
22           management system. They're the owners of the  
23           rig, they maintain the rig and they -- we  
24           choose to operate under their safety  
25           management system because they're the experts.

1       They have the marine group, they have the  
2       maintenance groups. So I guess to answer your  
3       question we had faith that Transocean was  
4       attempting to maintain a safe ship.

5           Q. In the military, you know, we often say  
6       "Hope is not a plan". It seems to me like  
7       faith is not a very good business decision  
8       here. But, anyway, that's just my point of  
9       view.

10           CAPT NGUYEN:

11           Flag state, please.

12           MR. LINSIN:

13           Thank you, Captain.

14           E X A M I N A T I O N

15           BY MR. LINSIN:

16           Q. Good morning, Mr. Guide.

17           A. Good morning.

18           Q. My name is Greg Linsin and I represent  
19       the Republic of the Marshall Islands, the flag

20 state for the DEEPWATER HORIZON. You were  
21 asked some questions initially, Mr. Guide,  
22 about your own background and experience. I  
23 tried to follow your answers, but let me just  
24 make sure I understand: Have you previously  
25 served as a well site leader aboard a rig?

1 A. Yes, sir. I have.

2 Q. Alright. And how many years did you  
3 have that on rig experience?

4 A. Approximately three.

5 Q. Okay. And which rigs did you serve on,  
6 sir?

7 A. Geez, I served on the BROUGHTON II, the  
8 -- I don't remember. The names of the rigs  
9 have changed. The PENROD-73, SEDCO-702,  
10 numerous land rigs, which I really don't  
11 recall the names.

12 Q. Let me perhaps ask it this way, sir:  
13 Were you -- did you serve aboard floating rigs  
14 that were drilling exploratory wells?

15 A. Yes, sir.

16 Q. Alright. A couple of questions about  
17 the organization of the shoreside group that  
18 you are a member of. Is it accurate to say  
19 you are a member of the Ops team within that

20       shoreside group, the operational team?

21       A.   Yes, sir.

22       Q.   Alright.  And another basic department

23       would be the engineering department on the

24       shoreside team, is that correct?

25       A.   Yes, sir.

1 Q. Alright. And did I understand you to  
2 say that members of both the Ops group and the  
3 technical group participated in the daily  
4 meetings with the rig at 7:30 in the morning?

5 A. Yes, sir.

6 Q. Alright. And it was the technical  
7 group that led those discussions typically  
8 unless someone from that group was not  
9 available, is that what I understood you to  
10 say?

11 A. They facilitate the meetings.

12 Q. Alright. And in an average course of  
13 events in addition to the morning meeting  
14 would the rig be in telephone or e-mail  
15 contact with members of that shoreside group  
16 on a daily basis? Is that a typical  
17 occurrence?

18 A. That would be typical. It wasn't  
19 everyday, but it would be typical. Yes.

20 CAPT NGUYEN:

21 Excuse me, Mr. Guide, can you

22 speak directly into the microphone,

23 sir?

24 THE WITNESS:

25 Sorry.

1 BY MR. LINSIN:

2 Q. Okay. And would those calls typically  
3 be initiated by the rig? And I'm talking  
4 about the calls after the 7:30 morning  
5 meeting. Would they typically be initiated  
6 from the rig or from the shoreside offices or  
7 did it go either way?

8 A. Either way.

9 Q. Okay. And the shoreside personnel in  
10 your position in the Ops group shoreside I  
11 presume -- do I accurately presume that you  
12 worked a -- a 7 to 5 or 6 work day on a daily  
13 basis, is that correct?

14 A. That's correct.

15 Q. Alright. And did you or other members  
16 of your shoreside team also then receive calls  
17 after hours after you had actually left your  
18 office?

19 A. Yes.

20           Q.  Alright.  Was that a fairly typical  
21           occurrence that you would get a call at night  
22           or even during the early morning hours if  
23           there was something significant going on on  
24           the rig and they needed to get in touch with  
25           you?

1 A. Yes, that's correct.

2 Q. Alright. Is there also someone that  
3 staffs the shoreside office overnight when the  
4 shoreside personnel are otherwise not in the  
5 office?

6 A. No.

7 Q. And you indicated I believe that Mr.  
8 Sims is your immediate supervisor in the Ops  
9 group, is that right?

10 A. Yes, sir.

11 Q. Alright. But that there are additional  
12 layers of supervision between him and Mr.  
13 O'Bryan?

14 A. Yeah, there is one more level.

15 Q. And who is that, sir?

16 A. His name is Dave Rich.

17 Q. Okay.

18 A. He's the wells manager.

19 Q. Okay. And is it accurate to say that

20 the personnel within the shoreside management

21 team generally also have well site leader

22 experience, on rig experience?

23 A. In general, yes. I can't -- I can't

24 personally speak for every individual.

25 Q. Okay. I want to ask you a couple of

1 general questions before we get into the  
2 discussion about the Macondo well. But on the  
3 issue or question of barriers within a well is  
4 it accurate to say, Mr. Guide, that it is a  
5 best practice to require multiple independent  
6 barriers on both the inside and the outside of  
7 the casing prior to performing a negative test  
8 or an inflow test and pulling a BOP?

9 A. Not necessarily.

10 Q. You don't see that as a prudent  
11 requirement, sir?

12 A. The external barriers would be already  
13 in place and the whole purpose of a negative  
14 test is to see if you have any integrity  
15 issues.

16 Q. My question is: Is it a best practice  
17 to require multiple barriers both inside and  
18 outside the casing before performing that  
19 test?

20           A. Same answer. The negative test is

21           there to see if the construction of the well

22           passes a negative test.

23           Q. Alright. Perhaps I'm not being clear.

24           I'm not asking what the objective of a

25           negative test is. I'm asking in terms of the

1 design of the protective barriers in the well  
2 is it best practice to ensure that before you  
3 run a negative test that you have multiple  
4 independent barriers inside and outside the  
5 casing?

6 A. And I'm going to say no, again. The  
7 same answer.

8 Q. Thank you. You believe that a single  
9 barrier either inside or outside the casing is  
10 sufficient?

11 A. You have more than that because you  
12 have a BOP stack on.

13 Q. But you're testing for conditions that  
14 will exist after you pull the BOP stack. Is  
15 that correct, sir?

16 A. That is correct.

17 Q. Alright. So you have to test what the  
18 condition of that well will be after the stack  
19 is pulled and the rig has been demobilized,

20 correct?

21 A. That's correct.

22 Q. Alright. So you really can't count the

23 BOP as a barrier in evaluating the adequacy of

24 the protection of that well, can you, sir?

25 A. No, but what it is is the BOP is your

1 barrier while you're doing the negative test.  
2 If there's an issue because you want to see  
3 what the integrity of your well is and the  
4 best way to do that is when you don't have all  
5 the barriers in place because then you can  
6 find out if you have an issue. The BOP stack  
7 is your barrier while you're doing a negative  
8 tests.

9 Q. You've referenced a negative test. Is  
10 that also known as an inflow test?

11 A. No, I would -- I'm not quite sure what  
12 an inflow test is.

13 Q. Alright. Is a negative test designed  
14 to determine whether there will be any inflow  
15 of hydrocarbons into the well?

16 A. No, not necessarily.

17 Q. Alright. What is a negative test  
18 designed to evaluate?

19 A. A negative test is designed to see if

20 the pack off on the annulus side is holding.

21 Q. Okay.

22 A. It's also designed to see if the float

23 equipment and the cement -- actually the

24 cement is the -- to see if the cement inside

25 of the casing is holding. And also the casing

1       itself.

2           Q.  Is it -- is it accurate to say that  
3       this is the last evaluative test that is  
4       performed on a well before the BOP is pulled  
5       and the rig is immobilized?

6           A.  That is correct.

7           Q.  Alright.  Does BP have a written policy  
8       that requires a negative test be performed on  
9       a well before the stack is pulled and the rig  
10      immobilized?

11          A.  Yes.

12          Q.  Alright.  And does BP have written  
13      procedures for how a negative test should be  
14      performed on floaters prior to displacing the  
15      riser and pulling the BOP?

16          A.  They can be rig specific.

17          Q.  Are there rig specific procedures for  
18      performing a negative test?

19          A.  It depends on the rig.

20 Q. Were there written procedures for

21 performing a negative test aboard the

22 DEEPWATER HORIZON?

23 A. We had a written procedure on how to

24 perform the negative test on the Macondo well.

25 Q. And where would one find that written

1 procedure, sir?

2 A. It was in a well plan and then followed  
3 by an Ops note.

4 Q. And would this be -- which well plan  
5 are you referencing?

6 A. It was the last well plan that was  
7 issued. Then followed with an Ops note to  
8 verify actual depths, etcetera.

9 Q. And the Ops note, would that be an e-  
10 mail, sir?

11 A. Yes, sir.

12 Q. Alright. And did you write that e-mail  
13 or were you copied on that e-mail?

14 A. I did not write it, I was copied.

15 Q. Okay. And did you write the well plan  
16 that you referenced that it contained a  
17 written description of the negative test that  
18 was to be performed?

19 A. No, I did not.

20 Q. Who did?

21 A. Brian Morel, the engineer.

22 Q. Were you on duty at your shoreside

23 office in the two weeks prior to April 20th,

24 2010?

25 A. Yes.

1 Q. I'm just asking did you happen to be on  
2 leave during any period of time in that two  
3 week interval?

4 A. No. I was sick one day.

5 Q. Okay. And can you tell us, sir, what  
6 your involvement was in the discussion as to  
7 whether or not to use the full string as  
8 opposed to casing off the well in two  
9 operations?

10 A. The plan to go to a full string of  
11 casing was developed by the engineering staff.  
12 They asked my opinion for concurrence. I gave  
13 them the concurrence. But all the actual work  
14 around it is performed by the engineering  
15 staff.

16 Q. And was that Brian Morel?

17 A. He was one of the -- one of the people,  
18 but there were others involved.

19 Q. Mr. Hafle?

20 A. Yes, sir.

21 Q. Anyone else?

22 A. Greg Walz, the drilling engineering

23 team leader.

24 Q. Okay. And you gave your concurrence --

25 I believe you may have testified to this

1 previously, but the basis for your concurrence

2 in that decision was what, sir?

3 A. Long term wellbore integrity.

4 Q. You recognized in concurring with that

5 recommendation that you were sacrificing

6 certain barrier protections that you would

7 have had if you had gone with the other

8 option, is that correct?

9 A. I saw no risk involved in the decision

10 that was made.

11 Q. Did you recognize that by going with

12 the full string you were sacrificing

13 additional barriers that would have existed in

14 the annular?

15 A. Long strings are very common at wells

16 of this depth.

17 Q. Mr. Guide, that isn't what I asked you.

18 I asked you whether in making that decision

19 you were aware that you were opting for a

20 decision that included fewer barriers in the

21 annular.

22 A. The original basis of design was a long

23 string of casing and it was the concurrence

24 with the original basis of design. The only

25 thing that changed was there was going to be a

1 tapered string as opposed to a full string of  
2 9 and 7/8ths.

3 Q. Were you involved in discussions with  
4 the rig personnel concerning the wiper trip in  
5 this well?

6 A. Yes, I was.

7 Q. Alright. And is it accurate to say,  
8 sir, that before that trip they had been out  
9 of the well from approximately April 10th to  
10 early in the morning of April 15th?

11 A. Yeah, that's correct.

12 Q. Alright. And do you recall the results  
13 of the monitoring of the mud quality that came  
14 up following the circulation?

15 A. I don't remember the exact -- exact  
16 results, no. I'm sorry.

17 Q. Alright. Would it fit with your  
18 recollection that their -- the results  
19 indicated that there were approximately 1,000

20 gas units in the bottoms-up mud?

21 A. That would -- that would not surprise

22 me, no.

23 Q. Okay. And what was the mud cut or the

24 mud differential in the bottoms-up mud? Do

25 you recall, sir?

1 A. No, I don't. I really don't remember.

2 Q. Alright. Is that an important factor  
3 to also consider in evaluating whether or not  
4 the 1,000 gas units is significant or not?

5 A. Yes.

6 Q. Alright. Where would one find that  
7 data, the mud cut data?

8 A. It would be on the MI report, which is  
9 the daily fluid report. And if it was  
10 significant it would be on the BP morning  
11 report.

12 Q. And are those reports that you would  
13 typically review?

14 A. Yes, sir.

15 Q. Alright. So am I understanding  
16 correctly, Mr. Guide, that you would have at  
17 one point reviewed that data. If it had been  
18 significant you would have recalled it?

19 A. No. I did review the data. I just --

20 just don't remember that particular line item,

21 that's all.

22 Q. Alright. Let me ask you about the

23 pulling of the wear bushing on this well. Do

24 you recall there having been problems in

25 pulling that bushing out of this well?

1           A. The string that we had run, the drill  
2 string, has a wear busing retrieving tool  
3 that's on it.

4           Q. Uh-huh (affirmative reply).

5           A. It's just to save a trip. And in this  
6 particular case it just didn't catch the wear  
7 bushing.

8           Q. Well do you recall that in fact they  
9 had to apply approximately 160,000 pounds of  
10 pull in order to retrieve the wear bushing  
11 from this wellhead?

12          A. I don't recall that exact number. I  
13 just don't recall that exact number.

14          Q. Is that a condition, sir, in your  
15 judgement the application of that amount of  
16 force that could cause a deformity in or a  
17 problem with the wellhead?

18          A. I don't believe that would cause a  
19 deformity in the wellhead.

20           Q. Is it a condition, the fact that you  
21           had to exert -- the rig had to utilize that  
22           much pull, that suggests that there may be  
23           other issues in this wellhead, such as  
24           cuttings or other materials in the hole?  
25           A. Sometimes there is some pieces of

1 cuttings that get around the wear bushing  
2 requiring it to have extra pull, but that is  
3 not uncommon.

4 Q. Alright. Going back for just a moment  
5 to the circulation during the wiper trip: Am I  
6 correct that you had obtained or the rig had  
7 obtained full bottoms-up circulation during  
8 that operation?

9 A. You're referring to the wiper trip?

10 Q. Yes, sir.

11 A. Yes, sir. We did.

12 Q. Alright. And that was without any lost  
13 return, is that correct?

14 A. That is correct.

15 Q. Alright. And that would have been  
16 three or four days prior to April 20th, is that  
17 correct?

18 A. I don't remember the exact time. I  
19 think the wiper trip was finished on the 16th

20 some time.

21 Q. Alright. Did you have any discussions

22 with the rig about the efforts to convert the

23 autofill float equipment at the bottom of this

24 hole?

25 A. Yes, I did.

1 Q. And was that a topic of the morning  
2 meeting?

3 A. No, that was a conversation that took  
4 place in the afternoon.

5 Q. Alright. And with whom did you discuss  
6 that operation, sir?

7 A. I discussed it with Brian Morel and Bob  
8 Kaluza. They were on the rig. Brett Cocales  
9 and David Sims were with me in the office.

10 Q. And who initiated that telephone call?

11 A. Brian Morel called.

12 Q. Alright. And how did he know that  
13 there was an issue concerning the conversion  
14 of that equipment?

15 A. Well, they went to convert the  
16 equipment, convert the float and it got past  
17 the pressure, which was expected, and it had  
18 not converted.

19 Q. And this also took a significant time

20 of additional time, did it not, sir?

21 A. It -- not that much time. Yeah, but it

22 did take some time.

23 Q. Does four hours fit with your

24 recollection?

25 A. I don't remember the exact amount of

1 time it took.

2 Q. Do you remember the pressure  
3 recommendation that had been made by  
4 Weatherford?

5 A. I don't recall it being a  
6 recommendation. I do know that the float  
7 equipment was supposed to convert at around  
8 700 psi.

9 Q. Alright. And am I correct in  
10 understanding that you eventually okayed  
11 application of pressure of initially 3,000 and  
12 then 3500 psi?

13 A. That is correct.

14 Q. Alright. And what did it suggest to  
15 you, Mr. Guide, that that amount of pressure  
16 -- I believe the conversion actually occurred  
17 at about 3124 psi. What does it suggest to  
18 you or did it then suggest to you that it  
19 required that amount of pressure to convert

20 that equipment?

21 A. From past experiences this particular

22 float equipment had was is called a "Caged

23 ball" and this ball is run in place and what

24 happens is as you run it, the casing, the flow

25 goes up inside the casing. There's a ball in

1 place. The flow goes by the ball. Sometimes  
2 you get cuttings between the ball and the tube  
3 to convert it. It's happened to me before.  
4 And what happens is it takes more pressure to  
5 get the actual ball to push the tube out that  
6 converts to float equipment.

7 Q. Okay. So your experience and the  
8 pressure levels that you wound up having  
9 utilized suggest that there may have been some  
10 debris or cuttings in the hole that were  
11 impairing the ball from seating, is that  
12 correct?

13 A. That could be on of the reasons why.

14 Q. Alright. You were asked some questions  
15 previously about the conditioning of the hole  
16 before the cementing operation. And I want to  
17 ask you whether you reviewed Halliburton's  
18 production casing plan for the cementing  
19 operation. Is that a document that you would

20 typically review, sir?

21 A. If you're referring to the document

22 that had the actual slurry design? Yes, I'd

23 check it for, you know, the kind of slurry,

24 the pump time, compressive strength, etcetera.

25 Q. And is this a document that would go

1 through various drafts typically?

2 A. It could go through drafts. It's  
3 usually with the engineering guys.

4 Q. Okay.

5 A. I don't see all the drafts, no.

6 Q. Okay.

7 A. I don't.

8 Q. Do you know if the one for the Macondo  
9 well went through a number of drafts?

10 A. I don't know that.

11 Q. Did you have any discussion with anyone  
12 in the engineering department or in  
13 Halliburton about the circulation requirements  
14 that would be incorporated into this plan?

15 A. Yes. We discussed the procedure that  
16 we were going to use, once we got in a  
17 position with the casing on bottom. Yes, we  
18 did discuss that.

19 Q. Alright. You individually discussed

20 it, sir?

21 A. Yes. We had discussions with other

22 people, Brian and the guys on the rig.

23 Q. Alright. And Halliburton

24 representatives?

25 A. I don't recall if the Halliburton

1 representative was there or not.

2 Q. Alright. And I believe that you  
3 testified earlier that you had made a decision  
4 or made a recommendation to -- not to  
5 recommend or not to incorporate bottoms-up  
6 circulation because of a concern of lost  
7 returns, is that correct?

8 A. That is correct.

9 Q. Alright. And yet I believe you  
10 testified just a few minutes ago that just  
11 three or four days prior to this during the  
12 wiper conditioning circulation you had  
13 achieved full return, is that correct?

14 A. Yes, we did.

15 Q. What occurred between the wiper  
16 conditioning operation and the conditioning of  
17 the hole prior to cementing that led you to  
18 believe that you were in a lost return -- at  
19 risk for a lost return in this hole?

20           A. There was nothing between those two  
21           time periods, but there was on the trip before  
22           and so we didn't want to take any chance of  
23           losing returns during the cement job because  
24           that was the primary risk. So we made the  
25           decision not to because we had loss returns

1 just several days before that.

2 Q. What was the recommendation or the  
3 direction that was given to the well in terms  
4 of the amount of circulation that should be  
5 achieved before beginning the cementing  
6 operation?

7 A. You need to clarify that, sir.

8 Q. Well, were there specific -- was there  
9 a specific number of barrels that the well was  
10 instructed to circulate before commencing the  
11 cementing operation?

12 A. We were going to circulate -- establish  
13 a circulation with just a couple hundred  
14 barrels and, once that was established, we  
15 were going to go into the cement job.

16 Q. Alright. And do you know how much was  
17 actually circulated?

18 A. There was -- it was almost -- I believe  
19 it was a couple hundred barrels plus the 700 -

20 - well, plus the spacer, plus the cement, plus  
21 the 776 barrels that it took to get the cement  
22 in place.

23 Q. My question was circulation of the mud  
24 and your recollection is it was a couple  
25 hundred barrels of mud?

1           A. I believe it was just a couple hundred  
2           barrels, yes.

3           Q. Would it -- would it help you, sir, to  
4           review the IADC report regarding this  
5           operation? Would that be helpful for you?

6           A. That's fine.

7           Q. Alright. I'm going to show the witness  
8           TRNUSCGMMS00011638 et seq with specific  
9           reference to 11640. The date of the report is  
10          April 19, 2010.

11          A. Okay.

12          Q. Alright. Does that refresh your  
13          recollection that 111 barrels of mud were  
14          circulated before the cementing operation was  
15          commenced?

16          A. On this particular step. It doesn't  
17          reference the other barrels we circulated  
18          after we converted the floats.

19          Q. After the -- after you converted the

20 floats you circulated additional mud?

21 A. We circulated it after we converted the

22 floats to verify that the floats were

23 converted and then, after we verified all

24 that, then we actually went into pump the

25 additional barrels and then went and did the

1 actual cement job.

2 Q. Alright. And were you the one -- were  
3 you in communication with the rig when the  
4 cement job was commenced?

5 A. I was not in -- I was not in contact  
6 with the rig when they actually started mixing  
7 the cement. No, I was not.

8 Q. Would it have been you speaking to Mr.  
9 Kaluza to tell him when to commence the cement  
10 job?

11 A. No, sir.

12 Q. That's not your recollection?

13 A. There was a procedure in place that  
14 they follow on the rig to pump the cement. We  
15 don't -- we don't run the cement jobs from the  
16 office. It's performed offshore.

17 Q. Do you recall having a conversation  
18 with Mr. Kaluza and a Keith Daigle about when  
19 the cement job should be commenced?

20 A. Not to my recollection, no.

21 Q. Who is Mr. Daigle, sir?

22 A. He's a drilling advisor.

23 Q. Alright. And he's onshore?

24 A. He's onshore.

25 Q. Alright. And you don't recall a

1 conversation among the three of you concerning

2 when that cement job should begin?

3 A. No, I really don't.

4 Q. Okay. You were asked some questions --

5 may I retrieve the exhibit.

6 A. Hold on, this might be something here

7 too.

8 Q. Thank you.

9 A. Sure.

10 Q. You were asked some questions, sir,

11 about the decision to have Mr. Sepulvado leave

12 the rig to attend the training and to

13 substitute Mr. Kaluza in for coverage on the

14 rig. I may have missed it, but can you tell

15 me who it was that made the decision that Mr.

16 Kaluza should go out to the rig?

17 A. Keith Daigle keeps track of all the

18 well site leader movements. The rig that Mr.

19 Kaluza was working on, the THUNDER HORSE PDQ,

20 was temporarily shut down and Mr. Kaluza was

21 available.

22 Q. So --

23 A. So --

24 Q. -- was it Mr. Daigle that made that

25 decision?

1           A. He just said "Bob's available to fill  
2 in for Ronnie" and I said "That's fine."

3           Q. Alright. So Mr. Daigle said "Bob's  
4 available." Who made the decision to send Mr.  
5 Kaluza out to the rig?

6           A. Keith Daigle and myself.

7           Q. Alright. Do you know how much  
8 experience Mr. Kaluza had in drilling  
9 exploratory wells?

10          A. I do not know his exact resume. I do  
11 not.

12          Q. Was that something you discussed with  
13 Mr. Daigle before deciding to send him out to  
14 the DEEPWATER HORIZON?

15          A. What we did discuss was Mr. Kaluza's  
16 experience from his recent assignment, which  
17 was on the PDQ that drilled very challenging  
18 wells in the THUNDER HORSE field. All of our  
19 well site leaders are qualified and I had no

20       qualm about having Mr. Kaluza go to the rig.

21           Q.    Alright.  You were asked a question

22       about discussions -- telephone conversations

23       with the rig on April 20th.  I believe the

24       question was specifically about the negative

25       test, but were you involved in a telephone

1 call with the rig on the morning of April 20th?

2 A. Yes, we had our 7:30 rig call.

3 Q. Alright. And during that 7:30 call was

4 there any discussion about the negative test

5 that was anticipated to be performed that day?

6 A. Yes, we did discuss the negative test.

7 Q. Alright. What was discussed about the

8 negative test?

9 A. We were clarifying that the negative

10 test -- I'm sorry, I said that wrong. It was

11 brought up that the negative test was

12 permitted with the MMS to actually be

13 conducted on the kill line. And that was

14 really the only discussion was to make sure

15 that we did it on the kill line so that we

16 would be in compliance with the permit that we

17 submitted at the MMS.

18 Q. And was there any discussion during

19 that call as to whether or not Mr. Vidrine or

20 Mr. Kaluza understood what the results of a  
21 negative test should look like?

22 A. I don't recall any discussion about  
23 what the results should look like. No, I  
24 don't recall that.

25 Q. Okay. Did you or did anyone in that

1 call confirm that Mr. Vidrine and Mr. Kaluza  
2 had a written procedure that they could refer  
3 to in order to perform that negative test?

4 A. Brian Morel typed an Ops note on that  
5 morning and it was given to the well site  
6 leaders. And in that Ops note included the  
7 negative test.

8 Q. Alright.

9 MR. LINSIN:

10 For the record I'm going to show  
11 the witness BP-HZN-CEC008574. May I  
12 approach the witness, Captain?

13 CAPT NGUYEN:

14 Yes.

15 BY MR. LINSIN:

16 Q. Mr. Guide, I want to ask -- I placed  
17 that exhibit before you and I want to ask  
18 whether or not that is the e-mail you were  
19 referring to.

20 A. Yes, this is it.

21 Q. Alright. And the -- the initial e-mail

22 in that string and there are two e-mails I

23 believe in the string. The initial e-mail

24 contains a number of numbered items. Is it

25 fair to say that items-3 and 4 -- is it

1 accurate to state that items-3 and 4 would be  
2 the items in that e-mail that relate to the  
3 negative tests?

4 A. Yes.

5 Q. Alright. Is there anything else beyond  
6 that e-mail that the Ops department or the  
7 engineering department provided the rig in the  
8 way of written guidance as to what should be  
9 done to perform the negative test?

10 A. From the office, no. The rig itself  
11 has rig based procedures that they follow on  
12 all the different operations. So the rig  
13 knows how to line up and conduct a negative  
14 test. There are rig specific procedures.

15 Q. And when you say "The rig", sir, are  
16 you talking about the well site leader on the  
17 rig?

18 A. I'm talking about Transocean and --

19 Q. Are --

20 A. Yes, sir?

21 A. I'm sorry. Are you saying that the

22 well site leader relies on Transocean

23 personnel to determine how a negative test

24 should be run?

25 Q. The well site leader relies on

1 Transocean to line up all the valves and the  
2 pits to conduct a negative test.

3 Q. So that is Transocean's responsibility  
4 and not BP's?

5 A. It is Transocean's responsibility to  
6 line up their rig system and displace the  
7 seawater, in this particular case, and then  
8 monitor it on a certain pit. That's correct.  
9 That's Transocean's responsibility.

10 Q. I thought you testified just a moment  
11 ago that it was the subject of the morning  
12 meeting that day that the because of the  
13 permit that had been issued it was the BP  
14 shoreside personnel that were instructing the  
15 rig personnel how to line up the negative test  
16 based on the permit requirements. Did I  
17 understand your prior testimony correctly,  
18 sir?

19 A. You did.

20 Q. Alright. So at least in this instance  
21 it was the guidance from shoreside BP  
22 personnel that instructed the rig how to line  
23 up this test, is that correct?

24 A. No, that's not actually correct.

25 Q. Well, perhaps you can help me

1 understand that. Did I understand you to  
2 testify that in the morning meeting on April  
3 20th you and others on the morning call had  
4 instructed the rig that, based on the permit,  
5 the negative test for this well had to be run  
6 through the kill line, is that correct?

7 A. They were instructed that they had to  
8 monitor the test on the kill line.

9 Q. Alright. And so that guidance -- that  
10 is the guidance that came from BP personnel,  
11 correct?

12 A. That is correct.

13 Q. Alright. And was there any discussion  
14 about how the drill pipe should be lined up  
15 for the test?

16 A. No, that was left up to the rig.

17 Q. Was there any discussion about how the  
18 choke line should be lined up?

19 A. That was left up to the rig.

20 Q. And when you say "The rig" you're  
21 saying to Transocean personnel, is that  
22 correct?

23 A. I'm saying the toolpusher, the driller,  
24 the AD, the senior toolpusher and the well  
25 site leader.

1 Q. When -- after the conclusion of the  
2 morning call on April 20th did you have any  
3 other contact with personnel aboard the rig on  
4 that day, sir?

5 A. No, sir. I did not.

6 Q. When you ended your morning call on  
7 April 20th did you know whether or not Mr.  
8 Kaluza or Mr. Vidrine understood how to  
9 evaluate the results of the negative test that  
10 was going to be performed that day?

11 A. I was confident that both the  
12 Transocean and the BP people on the rig knew  
13 how to evaluate negative tests.

14 Q. Was it Mr. Kaluza's and Mr. Vidrine's  
15 responsibility to determine whether the  
16 results of the negative test were satisfactory  
17 before moving on from that operation?

18 A. They were -- which ever one was on tour  
19 at the time. One of the people who were

20       supposed to determine if the negative test was

21       successful or not.

22       Q. They were just one of the people?

23       A. Yes, sir. It's a team.

24       Q. But it is Transocean that operates this

25       rig and BP that makes the decision as to

1       whether or not certain operations are going to  
2       be performed and when they are performed, is  
3       that correct?

4       A. That is correct.

5       Q. Okay.

6       A. But the way it really works is that the  
7       people work together, especially when they're  
8       doing testing. That they look at the results  
9       and they concur that the results are  
10      satisfactory. If they're not satisfactory and  
11      they don't have concurrence then they try to  
12      rectify the issue.

13      Q. As you sit here today, Mr. Guide, do  
14      you know how this negative test was lined up  
15      on the DEEPWATER HORIZON on April 20th?

16      A. I do not know exactly how it was lined  
17      up.

18      Q. That's not in any BP written guidance,  
19      is that correct?

20 A. That is correct.

21 Q. Do you know what the pressure results

22 of that test were on which of the lines?

23 A. No, I did not -- I have not seen all of

24 the data.

25 Q. Have you seen any of the data?

1           A. I saw some of the data, yes.

2           Q. Did you see the data that indicated the  
3 level of pressure in the drill pipe during the  
4 negative test, the second negative test that  
5 was performed on April the 20th?

6           MR. STETLER:

7           Counselor, just so that we're clear  
8           you're asking after the fact?

9           MR. LINSIN:

10          That's correct.

11          THE WITNESS:

12          Yes, after the fact I did see that.

13          Yes.

14          BY MR. LINSIN:

15          Q. Alright. And, before I ask you a  
16 follow up on that, do you know why a second  
17 negative test was performed that day?

18          A. No, I do not know why.

19          Q. Have you discussed the results of those

20 negative tests with any of the personnel that

21 were onboard the rig that day?

22 A. Yes. I discussed briefly with Mr.

23 Kaluza over a phone call.

24 Q. And what did you discuss with Mr.

25 Kaluza?

1           A. The main topic was how the actual rig  
2           was lined up and what valves were open and  
3           what valves were closed. Never did get an  
4           exact picture of that unfortunately. But that  
5           was the main gist of the conversation.

6           Q. When was that telephone conversation,  
7           sir?

8           A. It was several days after the incident.

9           Q. And who initiated that call?

10          A. That phone call was initiated by Keith  
11          Daigle and I sat in with him.

12          Q. Alright. And was the purpose of the  
13          call to understand what happened with the  
14          negative test on the DEEPWATER HORIZON that  
15          day?

16          A. Yes, sir. It was.

17          Q. Alright. And your testimony here today  
18          is that, even after the end of that call, you  
19          did not have an understanding as to how the

20 rig was lined up for that test, is that

21 correct?

22 A. I was not sure about how all the valves

23 were lined up, nor was I sure which ones they

24 opened and closed at different times.

25 Q. And you were not sure of that because

1 Mr. Kaluza was not able to explain it to you,

2 is that correct, sir?

3 A. It could have been. I just didn't

4 understand his explanation as well.

5 Q. Did you ask Mr. Kaluza about the

6 pressure that existed in the drill pipe during

7 that test?

8 A. Yes, sir. I did -- we did ask him

9 that.

10 Q. And what did he say about that?

11 A. He said that the Transocean people

12 onboard said that it was not uncommon to see

13 some drill pipe pressure when they did these

14 negative tests this way.

15 Q. Is it your recollection that Mr. Kaluza

16 explained that in fact that they had

17 maintained a gauge on the drill pipe and that

18 it had approximately 1200 to 1400 pounds of

19 pressure. Does that fit with your

20 recollection, sir?

21 A. Yes, sir.

22 Q. Alright. And they had bled it off at

23 one point during the test and -- and, once

24 closed, the pressure built up again. Does

25 that fit with your recollection?

1 A. Yes, that does fit with my

2 recollection.

3 Q. And that pressure was built up even

4 though the kill line was vented to the

5 atmosphere and was demonstrating no flow, is

6 that correct?

7 A. Yeah, that's correct.

8 Q. Alright. Does that condition indicate

9 to you, Mr. Guide, that there was a problem

10 with how this negative test was performed?

11 A. It was not -- it was not -- it did not

12 satisfy a true U-tube effect. It did not.

13 Q. And therefore it didn't give you the

14 information that a negative test is designed

15 to provide, is that correct, sir?

16 A. That is correct. It did not give the

17 U-tube you would expect.

18 Q. You were asked some questions, Mr.

19 Guide, about some telephone calls that you

20 participated in with Mr. Johnson. I believe  
21 late in the evening on April 20th and then a  
22 call which I recorded as 2346 that night that  
23 you had made -- where you discussed gas coming  
24 out of the riser and the well had blown out,  
25 do you recall that testimony, sir?

1           A. Yes, I recall after reviewing the log  
2 document.

3           Q. The call at 2346, with whom did you  
4 speak during that call?

5           A. I believe that was David Sims.

6           Q. And who initiated that call?

7           A. He called me.

8           Q. Alright. And was it Mr. Sims that told  
9 you that gas had come out of the riser and  
10 that the well had blown out or did you tell  
11 that to Mr. Sims?

12          A. He would have told that to me.

13          Q. Alright. And how did he learn that?

14          A. He was there.

15          Q. So he was telling you something he  
16 personally observed?

17          A. I assume that. I was not there, so I  
18 don't know exactly.

19               MR. LINSIN:

20                   Just one moment please, Captain.

21       BY MR. LINSIN:

22           Q. Oh, you testified, Mr. Guide, about the

23       decision that was made to alter the depth of

24       this well and I didn't record all of your

25       testimony, but you said that the pressures had

1       come in somewhat different than anticipated.

2       Did I understand that correctly, sir?

3       A. Yes, sir.

4       Q. And what pressures were you referring

5       to there?

6       A. It was the actual pore pressure that

7       was encountered.

8       Q. The pore pressure at the M56 end?

9       A. Can you give me a measure depth of

10       that?

11       Q. 18,303.

12       A. No, sir. It was the reservoir rock

13       pressures that we saw earlier up in the well.

14       Q. In stray sand, is that correct?

15       A. Actually, not just sand. But shale.

16       Shale has pressure as well.

17       Q. So you encountered higher pressures

18       than you anticipated in this shale strata

19       prior to achieving the 18,303, is that

20 correct?

21 A. Yes. So we had to set an extra string

22 of casing.

23 Q. And was it -- were those additional

24 pressures in this higher strata taking into

25 account in the final design for the close out

1 of this well?

2 A. Well, the additional -- let me see if I  
3 can explain this. All the strata with the  
4 pressures that were slightly different than we  
5 thought were cased off. They were all behind  
6 casing. So, yes, they were taken into  
7 account.

8 Q. They were behind casing, but they were  
9 -- the protection from those strata were  
10 dependant on the number of barriers that  
11 existed behind that casing, is that correct,  
12 sir?

13 A. Yes, sir.

14 Q. Alright.

15 MR. LINSIN:

16 Nothing further, Captain. Thank  
17 you very much.

18 CAPT NGUYEN:

19 Yes, sir. Thank you.

20 EXAMINATION

21 BY CAPT NGUYEN:

22 Q. Mr. Guide, I've just got a couple of  
23 questions for you. Do you know if Mr. Kaluza  
24 ever visited the DEEPWATER HORIZON prior to  
25 April 16th?

1 A. Not to my knowledge.

2 Q. Alright. Have you ever worked with Mr.

3 Kaluza before?

4 A. I have not.

5 Q. Okay. So, if you had not worked with

6 Mr. Kaluza before and you didn't have -- from

7 what I understand your discussion with Mr.

8 Linsin, is that you didn't have a clear idea

9 of what Mr. Kaluza was trying to tell you with

10 regard to the negative test, is that correct?

11 A. I really didn't get -- we didn't go

12 into a lot of detail over the phone

13 conversation. So what I'm -- I was attempting

14 to say, maybe I did a poor job, I still did

15 not come away from that conversation knowing

16 exactly what valve was open and what valve was

17 closed, etcetera.

18 Q. You never worked with him before and

19 you didn't have a good picture of what's going

20 on, were you comfortable with what he was

21 doing?

22 A. You're talking about --

23 Q. -- the negative test.

24 A. Yes, sir. All the well site leaders

25 are qualified. And I was -- I had no qualm,

1 as I said before, about Mr. Kaluza being  
2 there. He had done many negative tests in his  
3 career. I did know that because they did them  
4 on THUNDER HORSE all the time on a regular  
5 basis.

6 Q. Okay. But at the end of that  
7 conversation between you and Mr. Kaluza, even  
8 though you didn't know exactly how the system  
9 was lined up, you were still comfortable with  
10 what was going on?

11 A. My conversation with Mr. Kaluza was  
12 after -- this was after the fact now, this was  
13 four or five days after the incident.

14 Q. Okay. This was not -- okay, I  
15 apologize. I thought this was prior to the  
16 catastrophe.

17 A. Oh, no.

18 Q. Okay.

19 A. This was after the fact.

20 Q. Yes, sir. Let's say for example Mr.  
21 Kaluza or a well site leader experiences a  
22 condition which, you know, required the  
23 notification of the business unit leader,  
24 which in this case Mr. Jim Dupree. How many  
25 management layers between the well site leader

1 and the business unit leader including  
2 individual committees, how many layers?

3 A. Can I ask you to clarify that?

4 Q. Yes, sir. If Mr. Kaluza or let's say a  
5 well site leader detects a condition or  
6 experiences a condition which required per  
7 this document that Mr. Mathews pulled off the  
8 internet, how many management layers between a  
9 well site leader and a business unit leader?

10 A. There is four.

11 Q. Okay. Can you name them?

12 A. It would be myself, which is the wells  
13 team leader, a well Ops manager, a wells  
14 manager, a vice president of drilling and  
15 completion and then the SPU leader. Can I  
16 make a clarification, sir?

17 Q. Yes, sir.

18 A. I really don't -- I don't -- I don't  
19 believe the intent of that document is for the

20 business unit leader to be involved in all  
21 those decisions. I think the intent is for  
22 that to go through the chain of command in the  
23 D&C -- in the D&C leadership, which would be  
24 the wells team leader, the well Ops manager  
25 and that would be a very exceptional situation

1       that the actual business unit leader would be  
2       involved in the decision.

3       Q. Yes, sir. But regardless whether  
4       they're exceptional or not the business unit  
5       leader is still ultimately, according to this  
6       document, accountable for ensuring that things  
7       are done properly.

8       A. Yes, sir.

9                    CAPT NGUYEN:

10                    Okay, thank you. Mr. Guide, we  
11                    will take a break here and we'll be  
12                    back at 12:40.

13                    THE WITNESS:

14                    12:40?

15                    CAPT NGUYEN:

16                    Yes, sir.

17                    THE WITNESS:

18                    Thank you, sir.

19       (Whereupon, a lunch break was taken off the

20 record.)

21 CAPT NGUYEN:

22 Mr. Guide, you are reminded that

23 you are still under oath, sir.

24 THE WITNESS:

25 Yes, Captain.

1           CAPT NGUYEN:

2                   Thank you, sir. BP? Mr. Godfrey,  
3                   are you ready to go or do you want  
4           Transocean to go first?

5           MR. GODFREY:

6                   I'd love for Transocean to go  
7                   first. My partner should be right in.

8           CAPT NGUYEN:

9                   No, no, it's BP's turn.

10          MS. KARIS:

11                   Good afternoon and my apologies for  
12                   being late. May I proceed?

13          CAPT NGUYEN:

14                   Yes, ma'am.

15          MS. KARIS:

16                   Hariklia, H-A-R-I-K-L-I-A, Karis  
17                   for BP.

18          BY MS. KARIS:

19           Q. Good afternoon, Mr. Guide.

20 A. Good afternoon.

21 Q. Excuse me. I want to follow up on a

22 couple of the items that you discussed

23 previously. Starting with the last thing that

24 you talked about before we took a break for

25 lunch and that is the conversation that you

1 had with Mr. Kaluza regarding he negative  
2 test. Just so we're all clear did that  
3 conversation take place before or after the  
4 incident?

5 A. It was after the incident.

6 Q. Okay. You did not have any  
7 conversations with Mr. Kaluza on the 20th, the  
8 evening of the 20th, regarding the negative  
9 test, correct?

10 A. Correct.

11 Q. Okay. Now, in the conversation that  
12 you had with Mr. Kaluza after the incident,  
13 did Mr. Kaluza tell you why it was that he  
14 believed that the negative test had passed?

15 A. He mentioned that there was drill pipe  
16 pressure readings, an anomaly so to speak,  
17 that was explained to him that occurred on the  
18 rig and the guys on the rig had seen it  
19 before.

20 Q. And by "The guys on the rig" who was he  
21 referring to, if you know?

22 A. He mentioned the toolpusher and the  
23 driller.

24 Q. And those would be Transocean's driller  
25 and toolpusher?

1           A. That is correct.

2           Q. Okay. And did he tell you whether the  
3           Transocean personnel told him that pressures  
4           on the drill pipe were common, that it's  
5           something that Transocean personnel had  
6           previously seen?

7           MR. KOHNKE:

8                       Excuse me, I have to make this  
9           objection. This is calling upon this  
10          witness to relate hearsay from people  
11          who are no longer with us. He can make  
12          it up as he goes. There's something  
13          fundamentally unfair about this. There  
14          is a rule of evidence against hearsay  
15          and it's to prevent this sort of thing.  
16          I would ask that this evidence not be  
17          taken by this tribunal. The rule is  
18          clear.

19          MR. DYKES:

20                               This is an administrative fact  
21                               finding hearing. We will admit the  
22                               hearsay for just that. It's hearsay.  
23                               The same thing with speculation. We  
24                               will admit the speculation for what it  
25                               is, speculation. And we'll let the

1 record reflect that.

2 MS. KARIS:

3 Thank you.

4 BY MS. KARIS:

5 Q. Mr. Guide, do you remember the question

6 or would you like me to repeat it?

7 A. Please repeat it.

8 Q. Certainly. Did Mr. Kaluza tell you

9 whether Transocean personnel had told him

10 during the negative pressure test that

11 pressure on the drill pipe was something that

12 they had previously seen, which was common to

13 them?

14 A. He said that they saw pressure on the

15 drill pipe during negative tests in the past

16 and it was not uncommon.

17 Q. And that's what was told to him, if you

18 know?

19 A. That's what he said was told to him.

20 Q. Did Mr. Kaluza indicate to you whether  
21 anybody from Transocean raised a concern about  
22 what they were seeing during the negative  
23 pressure test?

24 A. No, he did not.

25 Q. And in your conversation with Mr.

1 Kaluza did he indicate whether Transocean told  
2 him that they can go ahead and proceed with  
3 the operations after conducting the negative  
4 test?

5 A. I don't remember him telling me that.

6 Q. Now, you spoke to Mr. Kaluza how many  
7 days after this incident took place?

8 A. It was three or four days.

9 Q. Did you also speak to Mr. Vidrine after  
10 the incident?

11 A. No.

12 Q. Okay. Were there other persons at BP  
13 that were collecting facts and information as  
14 to what had happened --

15 A. Yes.

16 Q. -- as far as you knew?

17 A. Yes.

18 Q. You said earlier that you didn't fully  
19 understand how the test was lined up, how the

20 operations were lined up. Were you aware that  
21 there would be other people from BP looking  
22 into the facts of how the tests and other  
23 factors were lined up?

24 A. Yes, I did.

25 Q. And, with knowledge that there were

1 other people from BP looking into those facts,  
2 did you then stop your fact inquiry if you  
3 will?

4 A. Yes, that's correct.

5 Q. I want to talk briefly about your  
6 familiarity with Mr. Kaluza before he came to  
7 this rig. Prior to Mr. Kaluza being sent to  
8 the HORIZON did you have a conversation with  
9 anyone that was familiar with Mr. Kaluza's  
10 background?

11 A. Yes, I spoke with Keith Daigle and Tony  
12 Emmerson briefly and they had nothing but good  
13 things to say about Mr. Kaluza.

14 Q. And who was Keith Daigle again?

15 A. A drilling advisor.

16 Q. And was Mr. Daigle familiar with Mr.  
17 Kaluza's experience as far as you know?

18 A. Yes.

19 Q. And who is Mr. Emmerson?

20 A. He was Mr. Kaluza's wells team leader

21 on the PDQ.

22 Q. So Mr. Kaluza would have reported to

23 Mr. Emmerson on the PDQ, is that correct?

24 A. Yes, that's correct.

25 Q. And did you discuss with Mr. Emmerson

1 whether Mr. Emmerson believed Mr. Kaluza was a  
2 competent and qualified well site leader?

3 A. Yes, he mentioned that he was a  
4 competent and qualified well site leader.

5 Q. And, based on the conversation you had  
6 had with Mr. Emmerson, did you have any reason  
7 to question whether a well site leader from  
8 the PDQ could then go onto the HORIZON and  
9 perform his duties on the HORIZON?

10 A. Could you say that one more time?

11 Q. Sure, I'm sorry. After you had spoken  
12 with Mr. Emmerson and Mr. Daigle were you  
13 confident that Mr. Kaluza could go onto the  
14 HORIZON and perform his job responsibilities?

15 A. Yes, I was.

16 Q. And you testified earlier about the  
17 staggered schedule that exists when a new well  
18 site leader arrives, do you recall that  
19 generally?

20 A. Yes, I do.

21 Q. When Mr. Kaluza was going to arrive on

22 the HORIZON was there a different well site

23 leader that had already been there for at

24 least a one week period following the

25 operation?

1 A. Yes, Don Vidrine was there.

2 Q. And did you know that when Mr. Kaluza  
3 was going on the rig there was going to be a  
4 different well site leader that was familiar  
5 with what had been going on for the prior  
6 week?

7 A. Yes.

8 Q. And is there a reason why the schedule  
9 for well site leaders is staggered?

10 A. Yes, it's so that there is always  
11 someone there who is familiar with the  
12 operation that was going on.

13 Q. Let's talk about a different topic.  
14 You were asked some questions about the  
15 decision to use the long string rather than  
16 the liner. Had you had prior experience using  
17 a liner?

18 A. Personally?

19 Q. Yes.

20 A. Yes, I've been associated with many

21 liner jobs.

22 Q. And have you been associated with jobs

23 that use a liner in the final string?

24 A. Yes, I have.

25 Q. In your prior experiences using liners,

1 had you ever encountered any issues or  
2 difficulties?

3 A. Yes, I've had problems with running  
4 liners in the past.

5 Q. Can you tell us what those problems  
6 were?

7 A. The majority of the problems are  
8 associated with either setting the liner  
9 hanger itself or getting the actual liner  
10 hanger packer to test, which is the barrier.

11 Q. And did you take those factors into  
12 account when you were deciding on whether you  
13 were going to agree with using a long string  
14 rather than a liner?

15 A. No. We -- we chose the long string  
16 because it is the best solution for long term  
17 integrity.

18 Q. Can you explain what you mean by that?  
19 Why did you believe it was the best solution

20 for long term integrity?

21 A. In this particular case it would have  
22 been to satisfy the design. You would have to  
23 have a liner and a tieback. The tieback  
24 operation requires setting up a PBR that in  
25 this particular case wasn't finalized yet. We

1 had never set a PBR in this type of liner  
2 hanger before. And then of course you have to  
3 do the tieback. The tieback goes into the PBR  
4 with a set of seals and in the past there were  
5 problems with the seals leaking once the well  
6 came on production.

7 Q. In making the decision to approve a  
8 long string rather than a liner, did you rely  
9 on your prior experience and your engineering  
10 judgement?

11 A. Yes.

12 Q. And was that decision, that is going  
13 with a long string rather than a liner, was  
14 that a consensus decision? That is the  
15 decision of many people involved?

16 A. Yes, it was.

17 Q. And did those who were involved in that  
18 decision all agree that a long string was the  
19 better approach for long term well integrity?

20 A. Yes, they did.

21 Q. Now, after you approved the MOC that

22 you were previously asked about that

23 identified going with the long string versus

24 the liner, do you know whether an application

25 was submitted to the MMS that identified that

1 the final string was going to be a long string

2 rather than a liner?

3 A. Yes, there was an application sent

4 indicating that we were going to run a long

5 string.

6 Q. And did the MMS approve the use of a

7 long string rather than a liner?

8 A. Yes, they did.

9 Q. So, when you were asked about who has

10 final authority or say on whether you're going

11 to use a liner, does the MMS have final say as

12 to whether you can go forward with a long

13 string?

14 A. Yes, we have to get approval before we

15 can do any operation.

16 Q. And do you know whether that approval

17 was received before the operations began for

18 running a long string?

19 A. Yes, we received approval before we ran

20 the long string.

21 Q. Let's talk about the cement bond log.

22 You were asked questions previously about

23 whether or not you were aware that no cement

24 bond log was run on this job, do you recall

25 that generally?

1 A. Yes, I do.

2 Q. Okay. Now the MOC that you reviewed  
3 and agreed with did that contain any decision  
4 tree that talked about a cement bond log?

5 A. Yes, it did.

6 Q. Can you explain to us what that means,  
7 the decision tree regarding a cement bond log?

8 MR. MATHEWS:

9 If it helps we actually have that  
10 if you want to see it.

11 MS. KARIS:

12 Sure.

13 BY MS. KARIS:

14 Q. Would it help you to see the document?

15 A. Yeah, that's fine.

16 Q. Thank you. Mr. Guide, I've put up here  
17 the decision tree that was attached to the  
18 April 15th, 2010 MOC or management of change  
19 that you reviewed. Are yo familiar with this?

20 A. Yes, I am.

21 Q. Okay. And can you walk us through what

22 this decision tree says with respect to a

23 cement bond log?

24 A. Can I get up and -- do you want me to

25 get up and look at it because I really can't

1 see it that great. Okay. This was the  
2 decision tree that was part of the MOC. The  
3 main piece being the conditioning trip  
4 following the --

5 Q. Mr. Guide, maybe you can explain from  
6 your seat because it sounds like we're having  
7 some microphone issues if that's okay.

8 A. I can.

9 Q. Take a look at it if you want, refresh  
10 yourself and then -- maybe that's better.

11 MR. STETLER:

12 Or if you've got a regular sized  
13 version he can look at that while  
14 everybody else looks up here.

15 MS. KARIS:

16 I don't have one up here. You  
17 know, what, what if I move this closer.

18 THE WITNESS:

19 Yeah. I'm sorry. My vision's not

20                   that great.

21                   MS. KARIS:

22                   I'm going to hand this to you. See

23                   if this will help. And, again, if you

24                   could just describe generally the

25                   process.

1 MR. FANNING:

2 Is there a Bates number on the  
3 decision tree?

4 MR. GODFREY:

5 If I can approach, Captain, I have  
6 a smaller size copy for the witness.

7 It's Bates number BP-HZN-MBI00010575.

8 May I approach the witness, Captain?

9 CAPT NGUYEN:

10 Yes, please.

11 THE WITNESS:

12 Thank you, sorry. Okay. We are  
13 going to make a conditioning trip after  
14 the logging program was done. This was  
15 where we are going to get the actual  
16 circulating data, static mud weight  
17 data, get different circulating rates  
18 to see if we could obtain circulation  
19 and also see if there was any hole

20 problems. The next decision after that

21 was the results --

22 MR. STETLER:

23 Can I ask the witness: Describe

24 what you're looking at so that

25 everybody else can see it --

1 THE WITNESS:

2 Okay. So that's the first top box  
3 and then it goes down to the --

4 BY MS. KARIS:

5 Q. Here (indicating)?

6 A. Yes, ma'am. Then it goes down to the  
7 diamond, which would say: "All losses or hole  
8 problems to prevent running long string." And  
9 we did not have any hole problems or losses  
10 when we made the conditioning trip. So  
11 following -- so "No" follows over to the right  
12 first square "Rig up and run 9 and 7/8ths by 7  
13 inch long string, which we did. "Cement long  
14 string", which is the next box down. Which we  
15 did. Then it goes to the next triangle on  
16 your right. It says "Losses: Well cementing  
17 long string", which we did not have. Then  
18 "No" goes to the box below there. "Run wear  
19 bushing, test casing set T and A plug."

20 Q. Let me ask you: The diamond that talks  
21 about losses while cementing long string, what  
22 does that mean?

23 A. As I mentioned in the past the main --  
24 the main risk identified on this job was  
25 getting circulation while cementing the string

1 of casing. So, as part of the decision tree,  
2 we watched it every step of the way. If we  
3 had any losses we ran the casing with no  
4 losses. We established circulation with no  
5 losses. We cemented with no losses. We got  
6 positive lift pressure and we bumped the plug  
7 on -- on time. And we shut down and checked  
8 for flow and we observed no flow on the  
9 annulus or the casing side. And that  
10 satisfied more than enough on the decision  
11 tree to go to the next step, which was to  
12 proceed with the T and A and not run the bond  
13 log.

14 Q. And so the decision, if you will, to  
15 look for those factors: Full circulation,  
16 proper lift pressures and bumping the plugs on  
17 time. Was that decision to look for those  
18 factors made in advance of starting the  
19 cementing job?

20 A. That is correct.

21 Q. So, the Schlumberger crew that was on  
22 the rig, was that crew on the rig to respond  
23 in the event that the three factors you  
24 identified were not met or satisfied while the  
25 job was being performed?

1 A. That is correct.

2 Q. When the Schlumberger personnel were  
3 sent back to shore were they sent to shore  
4 after you had confirmed that all of the  
5 factors that you were considering of whether  
6 to run a cement bond log had been completed?

7 A. They were sent in after we had  
8 confirmation that we had all of the necessary  
9 indicators of a good cement job.

10 Q. And so did you rely on the data that  
11 you had during the cement job in order to  
12 decide whether or not a cement bond log was  
13 going to be run?

14 A. Yes, that's correct.

15 Q. And did you also rely on your  
16 engineering judgement as to whether a cement  
17 bond log was needed after you saw those three  
18 factors met?

19 A. Not just myself, but the other

20 engineers in the office had that same

21 concurrence.

22 Q. And so was the decision to not run a

23 cement bond log a consensus decision, if you

24 will?

25 A. Yes, it was a consensus with the

1 engineers in the office and the Ops people.

2 Q. Were the factors that you looked at for  
3 deciding whether to run a cement bond log  
4 similar to factors you had considered for  
5 prior wells?

6 A. Yes.

7 MR. GORDON:

8 Captain, this is so leading. This  
9 is her witness. If she would just ask  
10 a general question. I know that you  
11 let in hearsay and speculation, but to  
12 lead your own witness is really  
13 horrendous.

14 MR. SCHONEKAS:

15 I hate to agree with Mr. Gordon,  
16 but I do --

17 MR. CLEMENTS:

18 Transocean will join in the  
19 objection.

20 CAPT NGUYEN:

21 I understand. Please be seated.

22 MR. CLEMENTS:

23 For the record by CFR this panel is

24 to as closely as possible the Federal

25 Rules of Evidence. I know in the

1 interest of time and expediency.  
2 Generally I don't think anyone has a  
3 proposition with some leading, but this  
4 is at the level of Counsel testifying  
5 and eliciting answers go-along answers  
6 from her own witness. And I think this  
7 is really over the top.

8 MS. KARIS:

9 Captain, it's certainly not my  
10 intention to testify. I am trying to  
11 short cut some of this, which is why I  
12 asked him whether it was or wasn't  
13 consistent with the prior practice. So  
14 I'm not sure I agree that it's leading  
15 him. He can answer yes or no.

16 CAPT NGUYEN:

17 Well, I think, you know, you are  
18 professional lawyers and you know what  
19 the standards are. So if you can

20           strive for a balance I would appreciate

21           it.

22           MS. KARIS:

23           Absolutely.

24           CAPT NGUYEN:

25           Thank you.

1           E X A M I N A T I O N

2       BY MS. KARIS:

3           Q. Mr. Guide, had you had prior practice  
4       with deciding whether or not a cement bond log  
5       was needed?

6           A. Yes.

7           Q. And can you tell us how your prior  
8       practice compared to the actions that you took  
9       at the Macondo well with respect to running a  
10      cement bond log?

11          A. They were watching the same actual  
12      indicators while the job was being performed.  
13      They were the same.

14          Q. Thank you. I'd like to talk to you  
15      about the BOP leak that was reported on the  
16      daily reports for February 24th. Do you recall  
17      talking about that earlier today?

18          A. Yes, I do.

19          Q. Can you tell us how you came to learn

20 about the leak on the yellow pod that's

21 referenced in the daily operation report?

22 A. It was discussed in the morning

23 meeting. I also saw it on the morning report.

24 Q. And what was your understanding of what

25 the issue was?

1           A. It was explained to me that it was --  
2           there was a slight leak in the shuttle valve  
3           on the yellow pod for the test ram. And  
4           that's how it was explained to me.

5           Q. Can you tell us how many pods does the  
6           BOP have?

7           A. Two.

8           Q. Okay. Is there a spare pod beyond the  
9           yellow and the blue pod?

10          A. I know that the HORIZON had a spare  
11          pod. I didn't know if the spare pod was out  
12          there or not, though.

13          Q. Okay. After you learned of this leak  
14          on the yellow pod can you tell us what you did  
15          after that with respect to that leak?

16          A. We discussed it in the morning meeting.  
17          We weren't exactly sure exact -- I was not  
18          exactly sure that the explanation that I got  
19          from the well site leaders was accurate. The

20 well site leaders are not BOP experts and I'm  
21 not a BOP expert. I called Paul Johnson at  
22 Transocean and he verified what was told to me  
23 in the morning meeting. That it was a slight  
24 leak on a shuttle valve on the yellow pod that  
25 had had no ill effect on the function of the

1 BOP stack and had no ill effect on any of the  
2 safety systems on the BOP stack.

3 Q. Did anyone on the morning call,  
4 including Mr. Johnson, express any concern  
5 regarding the functionality of the BOP?

6 A. No one expressed any concern about the  
7 functionality of the BOP.

8 Q. And did anyone on the morning call or  
9 any time after that express any concern about  
10 the operability of the BOP?

11 A. No. To the best of my knowledge the  
12 BOP performed fine. It was tested at least  
13 two more times on the yellow pod with no  
14 reference of any issues.

15 Q. You referenced two future tests on the  
16 yellow pod, can you tell us what relationship  
17 those tests have to the yellow pod and to this  
18 leak?

19 A. Well, you have to close the test ram on

20 the drill pipe to actually do the BOP test.

21 And there was no issues reported.

22 Q. And what assurance did those tests give

23 you regarding whether or not the BOP was still

24 properly functioning and operating after the

25 February 24th leak?

1           A. Well, they passed all the pressure  
2 tests.

3           Q. Given that they passed all the pressure  
4 tests did that have any role or effect on  
5 whether you would report this incident to the  
6 MMS?

7           A. Well, I -- the actual question or  
8 thought came up about was it reportable to the  
9 MMS when we first discovered it and, due to --  
10 it was not affecting the function, the  
11 functionality of the BOP or the safety system  
12 on the BOP, it was thought that it did not  
13 have to be reported.

14          Q. I want to change subjects and talk  
15 about the float collar. You were asked  
16 earlier about the conversion of the float  
17 collar. Do you recall at what pressure rating  
18 you expected the float collar to convert  
19 during the final string operation?

20           A. It was estimated to convert between 500

21           and 700 psi.

22           Q. And where did it actually convert?

23           A. A little over 3100 psi.

24           Q. And I believe you testified earlier you

25           had had a conversation with some of the folks

1 on the rig regarding the need to pressure up  
2 to convert the float collar, do you recall  
3 that generally?

4 A. Yes, I do.

5 Q. Could you tell us about those  
6 conversations?

7 A. The -- Brian Morel, the engineer on the  
8 rig, he was the one person I was talking to.  
9 We checked -- wanted to check a couple of  
10 things. The first one was to double check  
11 with Weatherford what the actual rated  
12 pressure of the float collar was. We had a  
13 document, but we wanted to double check. And,  
14 in the meantime, we were also going to check  
15 to see what the compressibility of the mud was  
16 to see if actually it indicated we were  
17 pressuring up against the float collar or  
18 something else in the string.  
19 Brian confirmed with Weatherford -- with

20 Weatherford's tech department that the float  
21 collar was rated to 5,000 psi and at the same  
22 time we verified that the compression numbers  
23 that we were seeing, which was about six and a  
24 half barrels, was consistent with compression  
25 numbers where you would be pressuring up at

1 the float collar.

2 Q. And, after you had your conversation  
3 with Brian and the checks that you did, were  
4 you confident in authorizing increasing the  
5 pressure to 3142 psi?

6 A. I was. We -- to clarify we did not  
7 just go to 3,000 psi right off the bat so to  
8 speak. That's the reason why you see a  
9 multiple amount of tests because we stepped it  
10 up in increments to make sure, you know, that  
11 we didn't do something, you know -- we didn't  
12 go to a pressure we didn't need to go to.

13 Q. Okay. You were asked earlier about the  
14 relationship between BP and some of the third  
15 party contractors that are involved in the  
16 well drilling and operations and I want to go  
17 back to ask you a couple of additional  
18 questions on that. Now, you testified I  
19 believe earlier that Transocean works for BP.

20 Do you recall generally saying that?

21 A. Yes.

22 Q. Could you explain to us what you mean?

23 A. BP has a contractor -- or had a

24 contract with Transocean for them to supply

25 the DEEPWATER HORIZON. In that contract there

1 was, you know, provisions for certain  
2 equipment and a crew compliment, amongst other  
3 things. And the contract was, you know, six  
4 inches thick. And one of those things is, you  
5 know, supplying qualified people.

6 Q. Did you have an understanding as to  
7 whose responsibility it was to maintain the  
8 rig?

9 A. Transocean's responsibility was to  
10 main-- it was Transocean's responsibility to  
11 maintain the rig.

12 Q. And did you have an understanding as to  
13 whose responsibility it was to maintain the  
14 safety equipment on the rig?

15 A. It's Transocean's responsibility.

16 Q. Whose responsibility was it to do any  
17 preventive maintenance on the rig?

18 A. It was Transocean's responsibility for  
19 the PM program.

20 Q. And whose responsibility was it to  
21 ensure that proper OEM parts are used for any  
22 repairs or modifications made to equipment on  
23 the rig?

24 A. It's Transocean's.

25 Q. Did you rely on Transocean's expertise

1 in the oil field in carrying out your day to  
2 day responsibilities?

3 A. Yes, absolutely.

4 Q. And did you rely on Transocean's  
5 expertise in being able to repair equipment  
6 that was broken on the rig?

7 A. Yes.

8 Q. Now, you participated or you were  
9 "Provided" I should say with a rig audit that  
10 was performed by BP on this rig in September  
11 of 2009, do you recall that?

12 A. Yes, I do.

13 Q. Okay. And can you describe for us  
14 generally what your involvement is in that rig  
15 audit process?

16 A. The rig audit piece outside of the  
17 marine piece we would handover to Transocean  
18 and we would go through it periodically to  
19 check the progress to see, you know, if they

20 needed any assistance, had any questions or in  
21 some case they didn't agree with the audit  
22 findings and we would discuss that.

23 Q. And, in those instances where they did  
24 not agree with the audit findings, how were  
25 those issue resolved, if you know?

1           A. We would look into it and in detail.  
2           Come to find out a couple of them were due to  
3           a glitch in their conversion from one  
4           maintenance system to another. That's a  
5           maintenance program. Really things like that  
6           nature where there was just some clerical  
7           mistakes.

8           Q. And did you have ongoing conversations  
9           with anybody from Transocean regarding the  
10          maintenance work that the rig audit indicated  
11          was required?

12          A. Yes, we -- I personally spoke with Paul  
13          Johnson on a regular basis, once a week, once  
14          every ten days, about the progress that  
15          Transocean was making on the audit items.

16          Q. And, based on your conversations with  
17          Mr. Johnson, did you believe as of April 20th  
18          that Transocean was operating a safe rig?

19          A. I believe they were making very good

20 progress on addressing the audit items, yes.

21 Q. And did you have an understanding as to

22 whether the personnel hired by Transocean were

23 competent to carry out the drilling operations

24 that they were involved in?

25 A. I was confident in the personnel that

1       Transocean supplied to the -- I'm sorry, to  
2       the DEEPWATER HORIZON.

3                   MS. KARIS:

4                   I have nothing further at this  
5                   time, thank you.

6                   CAPT NGUYEN:

7                   Thank you, ma'am. Douglas Brown.

8                   E X A M I N A T I O N

9       BY MR. GORDON:

10       Q. Hello, Mr. Guide. I'm Steve Gordon and  
11       I represent Doug Brown. One second. Okay.  
12       I'd like to talk about the flow chart if you  
13       would please. Do you have it before you?

14       A. You're talking about the decision tree?

15       Q. I'm sorry, the decision tree.

16       HZN-MB-I00010575.

17       A. Yes, sir. I have it in front of me.

18       Q. Okay. Can you please tell me, do you  
19       see on the right box, this box right here

20 (indicating)?

21 A. Yes, sir.

22 Q. Can you read that into the record,

23 what's inside the box?

24 A. "Rig up and run 9 and 7/8ths by 7 inch

25 long string."

1 Q. Okay. And when was that completed?

2 What date?

3 A. Can you clarify this (indicating) or  
4 the actual running of the long --

5 Q. The running of the long string.

6 A. It was on the -- after midnight on the  
7 20th.

8 Q. After midnight on the 20th?

9 A. Yeah, it was the -- yeah, that's right.

10 Q. April 20th?

11 A. Yeah, in the wee hours of the morning.

12 Q. I'm sorry. When was this box  
13 completed? Once again, the explosion was at  
14 2200 hours on April 20th.

15 A. Correct.

16 Q. Okay. And when was this completed?

17 A. I'll ask again: When was this document  
18 completed?

19 Q. Negative. In other words: Somewhere

20 along here if you don't have a yes or a no

21 you're going to do a cement bond log, correct?

22 That's what I understood your testimony to be.

23 A. Yes.

24 Q. Okay. So, because you can't get up and

25 mark on here because we can't hear you, I'm

1       trying to understand exactly where that cement  
2       bond log would have taken place. Do you  
3       understand me?

4       A. Okay.

5       Q. Okay. So this document was prepared on  
6       the 14th of April, correct?

7       A. Yes.

8       Q. Okay. So obviously these things  
9       somewhere had to -- had to be completed,  
10      correct?

11      A. Correct.

12      Q. Okay. So can you please tell me, for  
13      instance, if there was a box for a cement bond  
14      log where would that go?

15      A. It would -- if you go from "Losses,  
16      well cementing long string", which is the  
17      triangle down on the --

18      Q. That's correct.

19      A. And then you go over and then down and

20 then go over to the left it says "Run log to

21 confirm top of cement."

22 Q. Okay. So that "L-O-G", that's the

23 cement bond log?

24 A. Yes.

25 Q. Okay. There's no other type of log?

1           A. That was -- that would be the cement

2           bond log.

3           MR. STETLER:

4           I hate to say this, but I think

5                       what he's looking at is different than

6           what's on the chart. Why don't you go

7           up and compare with Counsel? I think

8           you may have some differences down at

9           the bottom.

10          THE WITNESS:

11          Okay.

12          BY MR. GORDON:

13          Q. Okay. Let's establish that first.

14          Have a seat please. Thank you, Counsel.

15          Okay. You are looking at the bottom right,

16          you have a page in front of you and that's BP-

17          HZN-MBI00010575, is that correct, sir?

18          A. Yes, it is.

19          Q. Okay. And that document that you are

20 looking at is different than the blow up that

21 we're looking at, correct?

22 A. Yeah, that is correct.

23 Q. Alright. However the box to the left

24 right here (indicating) that is the same as

25 this document, correct?

1 A. Yes, it is.

2 Q. Okay. And that says "Run log to  
3 confirm TOC". And pardon my ignorance but  
4 what is "TOC"?

5 A. Top of cement.

6 Q. Okay. And that log is the cement  
7 bonding log that Schlumberger could have  
8 performed, correct?

9 A. Yes, that's correct.

10 Q. Alright. Can you tell me please if you  
11 personally told Schlumberger to leave the rig,  
12 to leave the DEEPWATER HORIZON?

13 A. I personally did not tell Schlumberger  
14 to leave the rig, no.

15 Q. Okay. Did you tell anybody to tell  
16 Schlumberger to leave?

17 A. Through the morning meeting that was  
18 with the rig and the engineering staff. We  
19 said since we fulfilled the necessary

20 decisions -- I'm sorry, the necessary criteria  
21 for the decision tree that Schlumberger could  
22 be released from the rig.

23 Q. Who is "We"?

24 A. The engineering staff. That's the  
25 people who actually designed the decision tree

1 and myself.

2 Q. Okay. And are those all BP people or  
3 are there some Transocean people? Any other  
4 people?

5 A. There's the third party people, which  
6 is the cementing people, the MI. The  
7 correctional drilling people, ICE --

8 Q. MI-SWACO?

9 A. Yes. Halliburton, yes.

10 Q. Alright.

11 A. And I do not remember if Transocean was  
12 on the morning call, that is in the Houston  
13 office, that day or not.

14 Q. Alright. And can you tell me please if  
15 -- can you tell me if Schlumberger was on that  
16 call?

17 A. We have a Schlumberger in house  
18 individual, however I do not remember if he  
19 was in that morning call or not.

20 Q. Do you remember that person's name?

21 A. I'm sorry I'm probably going to

22 mispronounce his last name it's Carl Ludikey

23 (phonetic).

24 Q. Say that again.

25 A. Carl Ludikey.

1 Q. Rudikey.

2 A. "L". It begins with an "L".

3 Q. Do you recall Mr. Rudikey saying that  
4 he suggested that the cement bond log test  
5 should be run?

6 A. No, I don't recall that.

7 Q. Do you recall any discussion regarding  
8 Schlumberger indicating that they thought it  
9 would be prudent to run the CBL?

10 A. No, I don't recall any.

11 Q. Prior to the explosion did you have any  
12 knowledge that Schlumberger was recommending  
13 that the CBL should be run?

14 A. No.

15 Q. Was Mr. Kaluza on that call?

16 A. Yes, he was on that call.

17 Q. Do you know if he saw this document?

18 A. I'm not sure if he saw that document or  
19 not.

20 Q. Okay. The reason I asked you is it was  
21 produced the 14th and he came onboard the 16th,  
22 correct?

23 A. Yes.

24 Q. Okay. Did yo go out of your way to  
25 show him this flow chart?

1 A. I did not personally.

2 Q. Okay. When Schlumberger left how much  
3 equipment do they have remaining behind?

4 A. They had their logging tool basket and  
5 we also have a Schlumberger unit that's  
6 permanently -- was permanently mounted on the  
7 rig.

8 Q. Do you know if they left their basket  
9 behind?

10 A. I don't know.

11 Q. Do you know how they got off the  
12 vessel?

13 A. Helicopter.

14 Q. By what company?

15 A. Helicopter pilot.

16 Q. What company?

17 A. PHI's our helicopter supplier.

18 Q. Okay. You're sure it wasn't a BP  
19 helicopter?

20           A. To the best of my knowledge BP doesn't

21           have helicopters.

22           Q. Okay. The reason I ask this is I heard

23           that they recommended running the CBL and that

24           it was declined and they requested to get off

25           the vessel because they felt that it would be

1 unsafe to stay. Have you heard anything like

2 that?

3 A. No.

4 Q. When Mr. Linsin asked you some

5 questions about a conversation that you had in

6 the morning you said that that was the only

7 conversation that you had had I believe with

8 Mr. Kaluza that day, is that correct?

9 A. That is correct.

10 Q. I'm going to show you what I've written

11 on, but it is marked as BP-HZN-MBI00129616.

12 It is purportedly a typed interview with Mr.

13 Kaluza. I just want him to read this part

14 (indicating). He can read whatever he wants

15 on it. Okay. In fact, if you could, just

16 please read the bottom paragraph into the

17 record.

18 A. "Switched pumps from number-3 to

19 number-4. Took 205 psi to breakover and then

20 at 4 barrels per minute had 390. That was an  
21 anomaly. I discussed it with John Guide and  
22 Keith Daigle. John said "Pump cement." I  
23 went off tour, cement job went well. Got good  
24 lift pressure."

25 Q. Okay, thank you. When did that

1 conversation take place -- first off, do you

2 recall talking to Mr. Kaluza about that?

3 A. Yes, that was prior to the cement job

4 itself.

5 Q. Was it the 19th?

6 A. Yes.

7 Q. Okay. And so I'm going to approach you

8 again and I'm going to hand you BP-HZN-

9 MBI00129617. It is also the Kaluza typed --

10 And I'd ask you please just to read from "The

11 permit" down.

12 CAPT NGUYEN:

13 I want to make sure that the

14 attorneys speak into the microphone so

15 that it can record.

16 MR. GORDON:

17 Yes, uh-huh (affirmative reply).

18 I've asked the witness to please read

19 where it starts "The permit". It's

20 about the second from the end

21 paragraph.

22 THE WITNESS:

23 "The permit was modified for the

24 surface cement plug. It was a

25 different sequence. While running in

1           the hole I --" this is a typo.

2       BY MR. GORDON:

3           Q. Speak up please.

4           A. "While running in the hole I --" it's a  
5       typo word. "In the office and Hafle called to  
6       ensure I had seen the modified APM. Brian was  
7       on the rig sleeping as he was on the cement  
8       job. Mark called to go through the ADP. Said  
9       I would talk to Brian, so I woke up Brian.

10       The team on tour wanted to do something  
11       different. Mark was on vacation. They  
12       decided we would do the displacement and  
13       negative test together. Don't know why.  
14       Maybe trying to save time. The end of the  
15       wells sometimes they think about speeding up."

16       Q. Thank you. Did you have any part in  
17       doing the -- well, first of all: Do you agree  
18       that the displacement and the negative test  
19       was done together?

20           A. It was a partial displacement. It was  
21           not completed when the negative test was done.

22           Q. So they were doing it together at some  
23           pont? Both processes were occurring at the  
24           same time?

25           A. That is correct.

1 Q. And he put -- Mr. Kaluza put down here  
2 that he didn't know why that they were doing  
3 it, they being in town, in Houston, correct?

4 "Town" is Houston?

5 A. Yes, that's correct.

6 Q. Okay. And that he opined that they  
7 were just trying to save time?

8 CAPT NGUYEN:

9 Counselor, hold on for a minute.

10 MS. KARIS:

11 I apologize for interrupting, but I  
12 think that it needs to be clear that  
13 Mr. Guide had no involvement in these  
14 notes, but he's being asked to talk  
15 about them. Second of all Counsel just  
16 said "Mr. Kaluza put down here", these  
17 are not Mr. Kaluza's notes. So, I  
18 think we're going into two separate  
19 issues. One is Mr. Guide has never

20            seen these notes. This is to the best  
21            of my knowledge. And he was not  
22            involved -- He's being asked about  
23            something that he doesn't know about  
24            and he should --  
25            MR. GORDON:

1                   I would just like to quickly  
2                   respond to that. This I understand was  
3                   produced by BP. Mr. Kaluza, as I  
4                   understand it, is BP's employee. And  
5                   this would be what we call a statement  
6                   against interest. And, since he's out  
7                   on the rig, we could introduce this  
8                   into evidence. So I just want to talk  
9                   about it with this man and that's all  
10                  I'm doing.

11                 MS. KARIS:

12                 First I don't believe this is a  
13                 statement against interest. This is  
14                 not Mr. Kaluza's statement to be clear.  
15                 And any implication that it is is  
16                 misleading. So it can not be a  
17                 statement against Mr. Kaluza's interest  
18                 that isn't even his words. And second  
19                 Mr. Guide had no involvement in this.

20                   So to ask Mr. Guide to talk about what

21                   Mr. Kaluza may or may not have

22                   discussed with somebody else I think is

23                   inappropriate.

24                   MR. GORDON:

25                               This board can look through the

1           hearsay and figure out what is what. I  
2           just would like to ask a question about  
3           this document produced by the Coast  
4           Guard to us.

5           MS. KARIS:

6                         It's not a hearsay issue that I'm  
7           objecting to.

8           MR. DYKES:

9                         From what we understand those notes  
10          are the BP investigation notes that  
11          they conducted during the interview  
12          with Kaluza, is that correct?

13          MS. KARIS:

14                         That's correct.

15          MR. DYKES:

16                         Okay. So we need to make that  
17          understood.

18          MR. GORDON:

19                         Yes, I understand.

20 MR. DYKES:

21 Okay.

22 MR. GORDON:

23 Thank you.

24 MR. DYKES:

25 You have not seen those interview

1 notes?

2 THE WITNESS:

3 No, sir.

4 MR. DYKES:

5 Okay.

6 BY MR. GORDON:

7 Q. Okay. You've had a chance to read this  
8 paragraph and where Mr. Kaluza purportedly is  
9 stating in an interview that in his opinion  
10 they were -- "Town was trying to save time."

11 Do you agree with that?

12 MR. STETLER:

13 I'm going to object now because I  
14 don't think that's what it says.

15 That's your interpretation and you want  
16 to ask him whether your interpretation  
17 is correct. But I --

18 MR. GORDON:

19 Okay. I'll read it.

20 MR. STETLER:

21 -- don't want -- let me just be

22 clear.

23 MR. GORDON:

24 Sure.

25 MR. STETLER:

1                   I don't want my witness to be mind  
2           reading what Mr. Kaluza might have  
3           thought.

4           MR. GORDON:

5           Okay.

6           MR. STETLER:

7           You have your theory and you want  
8           to ask him -- I have no problem.

9   BY MR. GORDON:

10        Q. I'll read it to you, sir. "They  
11        decided we could do the displacement and  
12        negative test together - don't know why -  
13        maybe trying to save time. At the end of the  
14        well sometimes they think about speeding up."  
15        When you hear that -- I want you to assume  
16        that Mr. Kaluza said this in an interview. Do  
17        you agree that doing the displacement and the  
18        negative test at the same time will save time?

19        A. I'm not sure exactly what Mr. Kaluza's

20 referring to.

21 Q. Yes, sir. But do you agree that the  
22 net result of doing those two tests together  
23 saves time?

24 CAPT NGUYEN:

25 Mr. Gordon, you can enter -- you

1 know, request to have those documents

2 entered into the record --

3 MR. GORDON:

4 I believe he should answer this

5 question. I normally back down, but I

6 would like an answer.

7 CAPT NGUYEN:

8 He can attest to, you know,

9 based on his professional opinion that

10 is something -- a conclusion he can

11 draw from that. He's fully welcome to

12 indicate that. But I agree with

13 Counsel. Counsel over at this side

14 said, you know, that what Mr. Kaluza

15 said he can attest to that, I don't

16 think so. So --

17 BY MR. GORDON:

18 Q. In your professional opinion then, sir,

19 if you do those two tests or two procedures

20 together is one of the net results going to

21 save BP time?

22 A. It could be.

23 Q. And then time equals money out there,

24 right?

25 A. Yes.

1           Q. Last area: When Mr. Kaluza -- when you  
2           found out Mr. Kaluza was going to come out  
3           there, you called and spoke I think to two  
4           people that you trusted about his reputation,  
5           that was your testimony, correct?

6           A. Correct.

7           Q. Now, did you do that when Mr. Vidrine  
8           went out there?

9           A. Mr. Vidrine had been there for a longer  
10          period of time than Mr. Kaluza.

11          Q. And was Mr. Vidrine supposed to be out  
12          there the whole time? I think it was like  
13          five days that Mr. Kaluza was supposed to be  
14          out there. He was supposed to be out there  
15          that entire time with him, correct?

16          A. We have two well site leaders on the  
17          facility, yes.

18          Q. Okay. So, if you had Vidrine out  
19          there, what was so important about finding out

20 about Kaluza's background?

21 A. I had never personally worked with Bob

22 and I just wanted to see what kind of worker

23 he was because it's a team effort and I was

24 just curious.

25 Q. Okay. Thanks.

1 CAPT NGUYEN:

2 Thank you, sir. Curt Kuchta

3 MR. SCHONEKAS:

4 No questions, Captain.

5 CAPT NGUYEN:

6 Thank you, sir. Jimmy Harrell?

7 MR. FANNING:

8 Yes, Captain.

9 EXAMINATION

10 BY MR. FANNING:

11 Q. Good afternoon, Mr. Guide.

12 A. Good afternoon.

13 Q. My name is Pat Fanning. I represent

14 Jimmy Harrell. You know Jimmy, don't you?

15 A. Yes, sir.

16 Q. Just a couple of questions to touch

17 briefly on the Sepulvado thing. Mr. Sepulvado

18 testified yesterday, I believe from my notes,

19 that he had 33 years as a well site leader and

20 eight years on the DEEPWATER HORIZON. Do you

21 have any reason to dispute that?

22 A. I have no reason to dispute that.

23 Q. And the rig was going to be there for

24 only a few more days and close up and then

25 move to another site; is that correct?

1           A. Yes, that's correct.

2           Q. So given the fact that you only had a  
3 short period of time to be there to perform  
4 these important operations and then move,  
5 wouldn't it have been prudent to leave Mr.  
6 Sepulvado there for those last few days  
7 instead of bringing Mr. Kaluza on for only  
8 four days experience on the rig?

9           A. As I stated before, all the BP well  
10 site leaders are qualified. The MMS  
11 regulations and BP's regulations for the well  
12 site leaders to attend well control school is  
13 very important and we abide by that.

14          Q. And I understand your testimony because  
15 you've said it several times that all well  
16 site leaders are qualified and I accept that.  
17 But just for an example, we might have 200  
18 lawyers in this room that all went to law  
19 school and have degrees and licenses, we're

20 not all the same in terms of experience and

21 ability. Would you agree with that?

22 A. (No response.)

23 Q. In any event, it's not fair to say,

24 though, you think Mr. Kaluza was in as good a

25 position to make decisions about this

1 operation with four days experience as Mr.  
2 Sepulvado was with eight years on the rig?

3 A. Yes, I do.

4 Q. Okay. Let's talk about Mr. Vidrine.  
5 Tell me who he is, please?

6 A. He is another one of BP's well site  
7 leaders.

8 Q. Okay. And they work 12-on and 12-off,  
9 he and Mr. Kaluza in this instance?

10 A. Their schedule is that, but they don't  
11 necessarily, you know, work exactly twelve  
12 hours.

13 Q. Do you know what Mr. Vidrine's  
14 experience level is?

15 A. I know Mr. Vidrine had well over 30  
16 years in the oil and gas business.

17 Q. And he's an experienced well site  
18 leader as well?

19 A. Yes, sir.

20 Q. And was experienced on the DEEPWATER

21 HORIZON, wasn't he?

22 A. Yes, he'd been there about six months.

23 Q. And it was BP in their original plans

24 and submissions for -- is it what we call a

25 APD to the MMS, they put in there that they

1 were going to do a negative test; is that

2 correct? Was BP's plan?

3 A. The APD?

4 Q. Right. BP put it in to the APD that

5 they submitted to the MMS? I'm sorry to use

6 all these letters, but I don't know what else

7 to do.

8 A. I believe they put in an APM

9 Q. Okay.

10 A. -- that they were going to do a

11 negative test. Yes.

12 Q. So, I'm one letter off. BP putting an

13 APM to the MMS that they were going to do a

14 negative test; is that correct?

15 A. That's correct.

16 Q. And the mode of the negative test, the

17 way it was going to be performed, that was

18 BP's submission to the MMS as well; is that

19 correct?

20           A. BP said in this APM that it would

21           monitor the negative test on the kill line.

22           Q. Okay. Well, what I'm asking is:

23           Wasn't when -- I don't want to go through the

24           letters -- When BP made this submission you

25           put in there how you intended to do the

1 negative test, didn't BP do that?

2 A. To some extent, yes.

3 Q. And Mr. Vidrine knew that and had the

4 ability to see that the negative test was

5 performed correctly; isn't that true?

6 A. Can you repeat that?

7 Q. Okay. Mr. Vidrine was the company man

8 there when the negative test was performed;

9 are you aware of that?

10 A. Yes.

11 Q. And he knew how it was supposed to be

12 done. You know that, don't you?

13 A. Yes.

14 Q. And he was capable and competent with

15 all his years of experience to perform the

16 negative test as it should have been. Do you

17 agree with that?

18 A. Yes, I agree.

19 Q. And he was competent to interpret the

20 results of the negative test after he  
21 performed it or saw it performed. Do you  
22 agree with that?

23 A. Yes, he was competent to interpret the  
24 test.

25 Q. So my client, Jimmy Harrell, has

1 testified that at 9:20 on the evening of the  
2 20th Mr. Vidrine told him that they ran the  
3 negative test and got a good result. Was Mr.  
4 Harrell correct in relying on that from Mr.  
5 Vidrine?

6 A. I don't know exactly what Mr. Vidrine  
7 told Mr. Harrell.

8 Q. Well I just told you. He told him it  
9 was a good negative test. Should he have  
10 doubted that or challenged him on that or  
11 could he rely on Mr. Vidrine's experience?

12 MR. STETLER:

13 Counselor, I do think at this  
14 point you're asking my client to be a  
15 mind reader and I don't know how he can  
16 answer a question like that. Whether  
17 your guy reasonable relied on it? I  
18 don't think he can dispute it, but I  
19 don't see how he can answer that

20 question.

21 MR. FANNING:

22 Let me see if I can try it a

23 different way.

24 BY MR. FANNING:

25 Q. Would it have been fair in any instance

1 for Mr. Harrell to accept Mr. Vidrine's word,  
2 knowing his experience, that we had a good  
3 negative test?

4 A. I'm sorry, but I don't know what Mr.  
5 Harrell's and Mr. Vidrine's relationship was.

6 Q. So then you don't think that people on  
7 the rig, on the Transocean side, would have  
8 been justified in believing something that Mr.  
9 Vidrine told him and his interpretation of the  
10 test? You think he should have challenged him  
11 on it?

12 A. I wasn't there.

13 Q. I didn't ask you if you were there. I  
14 asked you if it was reasonable or if it is  
15 reasonable for the OIM to accept Mr. Vidrine's  
16 word that there was a good negative test?

17 A. Once again, I can't tell you what Mr.  
18 Vidrine's and Mr. Harrell's relationship is if  
19 they should trust each other or not. I can't

20 answer that. I don't know.

21 Q. Well then we can only interpret from

22 that that maybe the OIM should not have

23 trusted the company man on the rig; is that

24 what you're saying?

25 A. I didn't say that.

1 Q. Well, you said, "I don't know what  
2 their relationship is" and whether Mr. Harrell  
3 should have trusted Mr. Vidrine; isn't that  
4 what you just said?

5 A. I said I did not know their  
6 relationship.

7 Q. And therefore you didn't know if it was  
8 safe for him to rely on what Mr. Vidrine said.

9 A. I did not say that.

10 Q. What was it? Could he reasonably rely  
11 on what he said?

12 A. I would hope so.

13 Q. Thank you, sir.

14 MR. FANNING:

15 That's all the questions I have.

16 CAPT NGUYEN:

17 Thank you, sir. Stephen Bertone?

18 MR. LONDON:

19 No questions.

20 CAPT NGUYEN:

21 Thank you, sir. Transocean?

22 MR. CLEMENTS:

23 I have a few.

24 E X A M I N A T I O N

25 BY MR. CLEMENTS:

1 Q. Good afternoon, Mr. Guide. My name is  
2 Miles Clements. I represent Transocean.

3 A. Good afternoon.

4 Q. You've given a lot of testimony and I'd  
5 like to review some of these issues with you,  
6 if I could, sir. Let me get to the easy part.  
7 I think the part where you and I agree where  
8 my client, Transocean, and you company, BP,  
9 agree. Let's see if we can cover some of  
10 those areas.

11 You do agree, sir, that whatever the  
12 condition of the BOP on the DEEPWATER HORIZON  
13 it was adequately and fully disclosed and  
14 reported to the BP personnel offshore, to the  
15 company man?

16 A. To the best of my knowledge, yes.

17 Q. Yes. And part of that information was  
18 that there was a small leak, which was  
19 occasionally manifested. I believe you talked

20 about that previously, right?

21 A. That's correct.

22 Q. Just so we're clear and see if we can

23 put this issue to rest. Your position and

24 BP's position, as far as you know, was that

25 there was no loss of functionality with regard

1 to the BOP and whatever pinhole leak there may  
2 have been. Is that fair to say?

3 A. That's my understanding, yes.

4 Q. Okay. The leak didn't affect the  
5 operation of the BOP stack to you knowledge,  
6 sir?

7 A. That is correct. To the best of my  
8 knowledge it did not affect the function of  
9 the stack.

10 Q. There was testimony yesterday that  
11 Jimmy Harrell communicated with Mr. Ron  
12 Sepulvado about the leak in the BOP and Mr.  
13 Sepulvado disclosed that to you, reported that  
14 to you; did he not?

15 A. Yes, sir.

16 Q. You made a decision at that point  
17 whether or not to report that to MMS?

18 A. After talking to Paul Johnson we  
19 concluded that the BOP stack had full

20 functionality and didn't think we were

21 required to report it to the MMS.

22 Q. And you were not required to report it

23 to the MMS; is that what you're said? I'm

24 just trying to establish that you didn't

25 report it?

1 A. That's correct.

2 Q. Right. It didn't rise to the level of  
3 something you and BP felt needed to be  
4 reported to the MMS?

5 A. Yes, that's correct.

6 Q. The BOP in the months prior to this  
7 casualty did pass several pressure tests; did  
8 it not?

9 A. Yes, they did.

10 Q. In February and one on April 9th, isn't  
11 that right?

12 A. I don't remember the exact date, but I  
13 know they passed all the tests.

14 Q. You've been asked a number of questions  
15 about the company men onboard during the time  
16 in question, Mr. Vidrine and Mr. Kaluza. And  
17 I believe your testimony is -- I tried to  
18 write this down -- that they were capable,  
19 competent -- excuse me, competent and

20 qualified. You said that, I believe, with

21 respect to Mr. Kaluza?

22 A. Yes, that's correct.

23 Q. He was the one, of course, that had

24 only days experience on the DEEPWATER HORIZON,

25 but based on all of your expertise and

1       whatever background investigation you did, in  
2       your opinion, sir, he was competent and  
3       qualified; was he not?

4       A. Yes, he was.

5       Q. And he was as competent and qualified  
6       as Ron Sepulvado who happened to have eight  
7       years experience on the DEEPWATER HORIZON; is  
8       that correct, sir?

9       A. I don't know if you can exactly compare  
10      the two. I worked with Ronald a lot longer  
11      than Bob --

12      Q. I believe Mr. Fanning did just compare  
13      the two. I just want to make sure I got that  
14      right. Mr. Fanning asked you moments ago  
15      whether or not there was any advantage to  
16      having a man with eight years experience  
17      finish out this tour, the last few days of the  
18      DEEPWATER HORIZON on the Macondo well or  
19      whether it was preferable to bring out Mr.

20 Kaluza and I believe you said that they were

21 both competent and qualified. Did I

22 understand that correctly?

23 A. Yes, they are both competent and

24 qualified.

25 Q. One was as competent and qualified as

1 the other to complete the work undertaken  
2 during those last couple of days on the  
3 Macondo well; is that right?

4 A. I just said they were both competent  
5 and qualified.

6 Q. Well, we're focusing now on the last  
7 couple of days on the Macondo well and the  
8 work that BP prescribed to be done pursuant to  
9 its permits and its APM. Was Mr. Kaluza  
10 competent to discharge his duties to BP and  
11 the others aboard the rig with regard to that  
12 work?

13 A. Yes, he was.

14 Q. Okay. So he's competent to interpret a  
15 negative test; is he not?

16 A. Yes, he is.

17 Q. Because you knew there was going to be  
18 a negative test. That was part of the well  
19 plan; was it not?

20 A. It was part of the well plan.

21 Q. And how it was going to be done was

22 determined by BP; was it not?

23 A. It also is with conjunction to talking

24 with Transocean, the rig crew.

25 Q. Well, I don't know who else you talk

1 to. My question is, sir, who said how it was  
2 going to be done and was Mr. Kaluza competent  
3 to see that it was done that way? That's what  
4 I want to know, sir.

5 MR. STETLER:

6 Counsel, I think he said yes about  
7 five times during your questions.

8 MR. CLEMENTS:

9 Stipulated then?

10 MR. STETLER:

11 I can't stipulate, I'm not a  
12 party, counsel.

13 BY MR. CLEMENTS:

14 Q. Well would you say yes a sixth time,  
15 sir?

16 A. Could you repeat the question?

17 MR. STETLER:

18 Was he competent and qualified --

19 MR. CLEMENTS:

20 Yes. -- to interpret a negative

21 test, the very negative test that your

22 company called for to be performed on

23 this well on this rig?

24 MR. STETLER:

25 This time answer it with all

1 the drama.

2 MR. CLEMENTS:

3 Excuse me.

4 MR. STETLER:

5 Answer the question.

6 THE WITNESS:

7 Yes, he was competent to interpret  
8 a negative test.

9 BY MR. CLEMENTS:

10 Q. All right. And did he, in fact,  
11 approve the negative test that was performed?

12 A. I don't remember exactly him saying it  
13 was okay. I do remember that Don was on tour  
14 when the negative test was performed.

15 Q. I'm trying to focus your attention,  
16 sir, on Mr. Kaluza, the party who I understand  
17 reports to you, sir, or reported to you during  
18 this period of time?

19 A. Yes, he did.

20 Q. As did Mr. Vidrine?

21 A. Yes, he did.

22 Q. Did Mr. Kaluza and Mr. Vidrine both

23 approve the negative test that was performed

24 during the temporary abandonment procedure on

25 this well?

1 A. Yes, they did.

2 Q. And you agree, sir, that not another  
3 thing would have happened, not one more minute  
4 of work would have proceeded had they not  
5 approved this negative test?

6 A. Or anyone else. Because anyone has the  
7 ability, if they have an issue to stop the  
8 job.

9 Q. Okay. Well, if I had asked you about  
10 anyone else that would be responsive. I asked  
11 you about Mr. Vidrine and Mr. Kaluza.

12 A. But it doesn't work that way.

13 Q. Okay. You're saying others have stop  
14 work authority? Is that what you're trying to  
15 inject into this, sir?

16 A. No, I know they have stop work  
17 authority.

18 Q. Okay. Well, we agree on that. But, as  
19 far as proceeding with any more of -- let's

20 talk about the sequence of the temporary  
21 abandonment procedure. You don't go to the  
22 next step, do you, sir, until either Vidrine  
23 or Kaluza or hopefully both approve the  
24 negative test, isn't that correct?  
25 A. It's only partially correct. How is it

1 incorrect?

2 A. Because the way it works is that the  
3 wells site leader would approve the negative  
4 test. The driller would approve the negative  
5 test, the toolpusher would approve the  
6 negative test.

7 Q. Well, if the company man did not  
8 approve it, would it matter what the  
9 toolpusher and driller thought?

10 A. Yes.

11 Q. It may have mattered, but you couldn't  
12 have proceeded with any more work, could you  
13 -- could they?

14 A. There would be a discussion.

15 Q. There would be a discussion and  
16 ultimately a resolution I trust, but, unless  
17 that resolution is that BP through either Mr.  
18 Kaluza or Mr. Vidrine don't accept that  
19 negative test, you don't proceed in the

20 sequence of temporary abandonment, do you?

21 A. If there's any question it gets

22 elevated. So, in this particular case, if

23 there was a question they would involve the

24 well site leader, the driller, the toolpusher.

25 Then the senior toolpusher, the OIM would get

1 involved. If they couldn't resolve it then  
2 they would call myself and Paul Johnson and  
3 then we would try to resolve it together.

4 Q. Okay. Did you get called?

5 A. I did not.

6 Q. Did anybody else ashore get called?

7 A. I don't know.

8 Q. Did Mr. Vidrine approve the negative  
9 test?

10 A. Yes.

11 Q. Did Mr. Kaluza approve the negative  
12 test?

13 A. Yes.

14 Q. After several days later, I think you  
15 said it was three or four days later, after  
16 this incident you spoke with Mr. Kaluza, did  
17 you not?

18 A. I did.

19 Q. Was that in person or by phone?

20 A. It was by phone.

21 Q. And was that together with -- who else

22 was it, sir?

23 A. Keith Daigle.

24 Q. Yeah, Mr. Daigle. Did you both speak

25 by phone or was he with Mr. Kaluza?

1           A. No, Keith and I were together and we  
2           were speaking to him by phone.

3           Q. Alright. Did you take notes of that  
4           conversation?

5           A. I just took a couple of sentences, yes.

6           Q. Alright. And have those notes been  
7           produced, do you know, sir?

8           A. I don't know.

9           Q. Who did you give the notes to?

10          MR. STETLER:

11                 Counsel, can I answer the question?

12          MR. CLEMENTS:

13                 Sure.

14          MR. STETLER:

15                 Maybe it will help. If you don't  
16                 mind me answering and you can verify it  
17                 through him. Our understanding is the  
18                 notes were produced to the company  
19                 pursuant to a number of requests. We

20 don't know what was produced and what

21 wasn't produced in connection with this

22 proceeding.

23 MR. CLEMENTS:

24 I understand. My question was with

25 regard to what the witness did with the

1 notes.

2 MR. STETLER:

3 Yes. He provided them.

4 BY MR. CLEMENTS:

5 Q. Alright. Did you keep a set?

6 A. I have my original.

7 Q. Okay. And in that conversation was Mr.

8 Kaluza able to tell you exactly how the

9 negative test was performed?

10 A. We had a conversation about it. I

11 wrote down a couple of sentences, but I still

12 didn't leave there with the feeling that I

13 understood how things were lined up, what

14 valves were open, etcetera.

15 Q. He didn't know?

16 A. I didn't think I understood.

17 Q. He couldn't explain it to you then?

18 A. I didn't say that. I just said I just

19 didn't quite understand it.

20           Q. Okay. He couldn't explain it in such a  
21           way that you could understand it, is that  
22           right?

23           A. He also made -- he made a statement  
24           about a drill pipe pressure that was there.  
25           It would not bleed off and I did not

1 understand that particular piece. And, when I  
2 asked him about that, he said that other  
3 people on the rig, Transocean folks who worked  
4 on the rig on a regular basis, said they had  
5 seen that before.

6 Q. Did he understand -- did Mr. Kaluza  
7 understand the pressure phenomena at the time?  
8 Did he tell you that he did?

9 MR. STETLER:

10 Again, I'm going to object if  
11 you're asking him what Mr. Kaluza  
12 understood.

13 MR. CLEMENTS:

14 I said what he told him.

15 MR. STETLER:

16 Yeah, but if you could ask him in  
17 terms of "Did it appear that he  
18 understood" and so forth so that we're  
19 getting his perception --

20 MR. CLEMENTS:

21 I don't want to ask him to be a

22 mind reader. I just want to know if he

23 can tell us if Mr. Kaluza was able to

24 articulate to him the conditions of the

25 negative test.

1 THE WITNESS:

2 I did not understand the effect

3 that he was talking about, no.

4 BY MR. CLEMENTS:

5 Q. How long did you speak to him about how

6 the negative test had proceeded?

7 A. I don't remember.

8 Q. Did Mr. Daigle have the same difficulty

9 in understanding Mr. Kaluza's explanation?

10 A. I believe he did.

11 Q. Did you speak with Mr. Vidrine?

12 A. No, I did not.

13 Q. In light of Mr. Kaluza's explanation or

14 confusing explanation, at least confusing to

15 you and Mr. Daigle, did you not want to find

16 out from Mr. Vidrine how the negative test had

17 been performed?

18 A. I was instructed not to talk to Mr.

19 Vidrine or anyone else after that point in

20 time.

21 Q. Instructed by your company?

22 A. That's correct.

23 Q. And why was that?

24 MS. KARIS:

25 I'm going to object on the basis

1                   it calls for privileged information.

2       BY MR. CLEMENTS:

3           Q.  Were you told why you were not to  
4       speak --

5           MS. KARIS:

6           Excuse me, Counsel.

7           MR. CLEMENTS:

8           I'm sorry.  Were you finished?

9           MS. KARIS:

10          No, I was not.

11         MR. CLEMENTS:

12          I'm sorry, go ahead.

13         MS. KARIS:

14          I would like to make an objection,

15                 it's calling for privileged information

16         at this point.  The discussions beyond

17         that involve Counsel, so that would

18         require the disclosure of such

19         conversations.

20 MR. CLEMENTS:

21 It was an attorney who told him not

22 to speak to the other company man who

23 reported to him.

24 MS. KARIS:

25 Well, whether it was an attorney or

1 through the advice of Counsel, it's the  
2 same.

3 MR. CLEMENTS:

4 Yeah, but that hasn't been  
5 established.

6 MS. KARIS:

7 Again, I'm going to object to the  
8 disclosure of any attorney client  
9 information.

10 CAPT NGUYEN:

11 Mr. Clements, if you can ask the  
12 question, you know, specifically.

13 That's a little bit broad and that's  
14 where --

15 MR. CLEMENTS:

16 Sure.

17 CAPT NGUYEN:

18 -- the objection comes from.

19 MR. CLEMENTS:

20                   It may be a good objection.

21       BY MR. CLEMENTS:

22           Q. Did an attorney tell you not to speak

23       to the company man Vidrine?

24           A. No, Mr. Vidrine got Counsel so he

25       didn't have to.

1 Q. Mr. Kaluza and Mr. Vidrine were  
2 supervising the negative test -- well, were  
3 they supervising the negative test that BP had  
4 informed MMS that it would do? That BP would  
5 do?

6 A. Yes, they were the well site leaders  
7 there.

8 Q. Okay.

9 MR. CLEMENTS:

10 If I could approach the witness  
11 real quickly?

12 BY MR. CLEMENTS:

13 Q. I have a couple of questions -- I'm  
14 simply seeking some information I'm showing  
15 you, sir, what's called "Washington Briefing.  
16 DEEPWATER HORIZON Interim Incident  
17 Investigation dated May 24th, 2010." Do you  
18 have any familiarity with that?

19 A. Yes.

20 Q. Alright. Would you look at page-24?

21 CAPT NGUYEN:

22 Mr. Clements, are you asking to

23 introduce that into evidence?

24 MR. CLEMENTS:

25 I'm sorry.

1           CAPT NGUYEN:

2           Because we haven't seen those  
3           documents.

4           MR. CLEMENTS:

5           These are not on the record? Yeah,  
6           I'm --

7           MR. MATHEWS:

8           Just for correction those documents  
9           have been presented to the board.

10          CAPT NGUYEN:

11          Has it?

12          MR. MATHEWS:

13          Yes.

14          CAPT NGUYEN:

15          Okay.

16          MR. CLEMENTS:

17          I believe that they were presented  
18          to the board and I understood that they  
19          were part of Mr. Smith's -- at least

20           they were referred to by Mr. Smith --  
21           well, whether they were referred to by  
22           Mr. Smith or not it's my understanding  
23           these have been produced. But I see  
24           that they don't have numbers.  
25           MR. MATHEWS:

1 Whose Mr. Smith? I'm sorry, I'm

2 not --

3 MR. KOHNKE:

4 He's your expert --

5 MR. CLEMENTS:

6 He was -- I thought it had that's

7 why I have it and I thought it was --

8 CAPT NGUYEN:

9 Is this a document that Mr. Kohnke

10 has provided to Mr. Mathews, or not?

11 MR. MATHEWS:

12 This is a document that was

13 provided by BP to the board.

14 MR. KOHNKE:

15 This was provided by BP. The board

16 has it. More importantly, Mr. Smith

17 has it and the witness has seen it and

18 has identified it.

19 CAPT NGUYEN:

20 I just wanted to make sure that

21 we've seen this before.

22 MR. CLEMENTS:

23 It does not have any Bates Numbers

24 on it.

25 MR. MATHEWS:

1 I think Dr. Smith cited that report  
2 in his findings. He never actually  
3 presented that report to the board. He  
4 cited that report. I think that report  
5 was presented to congress.

6 MR. CLEMENTS:

7 Well, it says "Washington  
8 briefing", it does say that. If I  
9 could -- and I think I'll be quick with  
10 this.

11 CAPT NGUYEN:

12 Hold on, Mr. Clements. Yes?

13 MS. KARIS:

14 I apologize, I have one more  
15 objection. I believe under the rules  
16 of this board any exhibits that are  
17 going to be used need to be submitted  
18 and then of course become a part of the  
19 MBI exhibit record. I do not believe

20           that this has ever been submitted and  
21           disclosed as part of the exhibits for  
22           this proceeding.

23           MR. CLEMENTS:

24           Uh-huh (affirmative reply). Well,  
25           it's not my exhibit. It's a BP

1 document. They apparently presented it  
2 in Washington. It purports to be their  
3 interim incident investigation. I am  
4 asking this witness questions because I  
5 understand this is going to be within  
6 the scope of Dr. Smith's testimony,  
7 which is a witness who the board is  
8 going to call tomorrow.

9 CAPT NGUYEN:

10 Why don't we take a quick break  
11 here. About ten minutes and we'll  
12 reconvene at 2:15 to determine what's  
13 going on here. Thank you.

14 MR. PENTON:

15 If I could just add just one  
16 comment that I would like to make on  
17 behalf of Mike Williams. Our firm is  
18 absolutely took that document from the  
19 home court that have been produced in

20           these proceedings.

21           CAPT NGUYEN:

22           Okay, I understand.

23           MR. GODFREY:

24           And, Captain, if I might make one

25           point? We will follow whatever rules

1           the board sets. I have examined  
2           witnesses and have not used certain  
3           documents that have been produced by  
4           that witness' employer because it  
5           wasn't on the exhibit list. So  
6           whatever rules there are, we should  
7           keep the same rules for all parties.

8           Thank you.

9           CAPT NGUYEN:

10           I understand, let's look on this  
11           outside. So let's reconvene at 2:15  
12           please.

13           (Whereupon, a short break was taken off the  
14           record.)

15           CAPT NGUYEN:

16           Mr. Guide, you are reminded that  
17           you are still under oath, sir.

18           THE WITNESS:

19           Yes, Captain.

20 CAPT NGUYEN:

21 Thank you. We have determined

22 that the document was posted on our

23 home port website, which all parties of

24 interest have access to. So, Mr.

25 Clements, go ahead and proceed.

1 MR. CLEMENTS:

2 Thank you, Captain.

3 BY MR. CLEMENTS:

4 Q. If I could address, Mr. Guide, your  
5 attention -- direct your attention, sir, to  
6 page-27.

7 A. Okay. (Witness complies)

8 Q. Excuse me 24, let's try and take it in  
9 order.

10 MR. STETLER:

11 Yeah, we're going to share here,  
12 okay?

13 BY MR. CLEMENTS:

14 Q. It references a time period of 17:05 to  
15 17:25 on 4/20/2010. Do you see that, sir?

16 A. Yes.

17 MR. CLEMENTS:

18 Can I approach the witness?

19 CAPT NGUYEN:

20 Yes, sir.

21 BY MR. CLEMENTS:

22 Q. Page-24.

23 A. Sorry. Got it.

24 CAPT NGUYEN:

25 Mr. Clements, can you identify --

1                   is there any identification on that  
2                   page number?

3                   MR. CLEMENTS:

4                   Yes, this document is page-24 of  
5                   the DEEPWATER HORIZON interim incident  
6                   investigation dated May 24th, 2010. It  
7                   is entitled "Drill pipe pressure  
8                   builds/fill riser" and it references  
9                   the time period of 1705 to 1725 on  
10                  4/20/10.

11                  BY MR. CLEMENTS:

12                  Q. Mr. Guide, this -- some of the  
13                  information on this page, correct me if I'm  
14                  wrong, demonstrates 1,250 psi on the drill  
15                  pipe and zero on the kill line, do you see  
16                  that, sir?

17                  A. Yes. It's on the picture.

18                  Q. Sure, correct. My question to you,  
19                  sir, is: With regard to the figure of 1,250

20 psi in the drill pipe what is the source of

21 that information?

22 A. Give you the source of the information?

23 Q. Yeah. Do you know where that

24 information came from? Did Mr. Kaluza tell

25 you? Was this reported to you?

1           A. No, I didn't see the results of the  
2 negative test when it was being performed.

3           MR. DYKES:

4                     Mr. Clements, to set the record  
5 straight. This presentation is a  
6 presentation I believe that was given  
7 by the BP investigation team to -- and  
8 I'm not sure of this, but I think it  
9 was actually given to Secretary  
10 Salazar. The first question I need to  
11 ask Mr. Guide is: Are you aware of this  
12 presentation, number-1? And, number-2,  
13 did you have any participation in the  
14 building of this presentation?

15           THE WITNESS:

16                     I was aware of this presentation,  
17                     but I had no input into this  
18 presentation.

19           MR. DYKES:

20                   Okay. So you need to direct your

21                   questions accordingly.

22                   MR. CLEMENTS:

23                   Sure.

24                   BY MR. CLEMENTS:

25                   Q. Put the document down. Let me ask you

1       this, sir: Do you know between 1705 and 1725  
2       on April 20, 2010 aboard the DEEPWATER HORIZON  
3       what pressure there was on the drill pipe?

4       A. No, I did not know.

5       Q. Okay. Did Mr. Kaluza know when you  
6       spoke with him a couple days after the  
7       incident?

8       A. Yes, after the fact. Yes.

9       Q. Is that what he told you?

10      A. I don't remember all the exact numbers,  
11      sorry.

12      Q. Alright. If he told you a psi would  
13      you -- do you think you would have written  
14      that in your notes?

15      A. Yes.

16      Q. And I would like to ask the same  
17      questions with regard to the zero psi on the  
18      kill line. Do you know the source of that  
19      information? I don't want to ask compound

20 questions, but did it come from Mr. Kaluza?

21 MR. STETLER:

22 Counsel, just to be clear, he

23 didn't prepare the --

24 MR. CLEMENTS:

25 Yeah. We're not talking about

1                   that now.

2                   MR. STETLER:

3                   Let me just state my objection.

4                   MR. CLEMENTS:

5                   Sure, sure.

6                   MR. STETLER:

7                   He didn't prepare it. He doesn't

8                   know who prepared it. So to ask him

9                   where it came from he's not going to be

10                  able to help you.

11                  MR. CLEMENTS:

12                  That's not the question.

13                  MR. STETLER:

14                  That was the question --

15                  MR. CLEMENTS:

16                  Fair enough.

17                  MR. STETLER:

18                  -- "Where did it come from?"

19                  MR. CLEMENTS:

20                   Then I'll ask another one. I'll

21                   agree with your objection. I'll ask

22                   another one.

23       BY MR. CLEMENTS:

24           Q. Sir, do you know what the pressure on

25       the kill line was between 1705 and 1725 on

1 April 20th, 2010 on the DEEPWATER HORIZON?

2 A. Well, according to this document --

3 Q. No, according to any source of  
4 information you have, including Mr. Kaluza.

5 A. I do not remember, no.

6 Q. Alright. Did Mr. Kaluza know when you  
7 spoke with him?

8 A. I don't remember -- no, let me say it  
9 differently. The -- the -- I cannot cross  
10 reference the times and the pressures with my  
11 conversation with Mr. Kaluza.

12 Q. Was Mr. Kaluza able to tell you about  
13 any pressures during the negative tests?

14 A. Yes.

15 Q. What did he tell you?

16 A. You've got to be more specific.

17 Q. What did he tell you about the  
18 pressures on the drill pipe and on the kill  
19 line or either one during the performance of

20 the negative test when he was on tour?

21 A. From my recollection it was lined up to

22 read the pressure on the drill pipe or the

23 kill line and that the kill line pressure was

24 zero, but the pressure on the drill pipe did

25 not bleed down.

1 Q. What was the last three words you said?

2 A. The pressure on the drill pipe did not  
3 bleed down.

4 Q. Did he explain to you what valves were  
5 open or closed when he gave you those  
6 pressures?

7 A. No, we did not go into all the detail.

8 Q. Okay. Did you not ask him or and, if  
9 you did, did he not know or did you just not  
10 go into it?

11 A. We didn't get into the detail.

12 Q. I take it you wanted to know in your  
13 conversation with him the details of the  
14 negative test, did you not?

15 A. Yes, and they were a bit -- yes, that  
16 is correct.

17 Q. Presumably that's one of the reasons  
18 you called him?

19 A. That was one of the reasons, yes.

20 Q. Okay. And did you just not cover what  
21 valves were open when the pressures were  
22 taken?

23 A. It was more of a high level  
24 conversation more about "Were you looking at  
25 the kill line? Were you looking at the drill

1 pipe?"

2 Q. Did he give you any information about  
3 pressures on the drill pipe and the kill line  
4 between 1840 and 1955 on April 20th? That  
5 information, for the record, appears on page-  
6 27 of this document.

7 A. And, as I just said, I --

8 MR. DYKES:

9 Mr. Clements, are you asking to his  
10 conversation with Mr. Kaluza?

11 MR. CLEMENTS:

12 Yes, sir.

13 MR. DYKES:

14 Okay. Then we don't need to make  
15 reference to the presentation. He's  
16 tried to match up and he's already  
17 stated that he can't match it up, based  
18 on what he recalls. So --

19 BY MR. CLEMENTS:

20 Q. Based on your conversation with Mr.  
21 Kaluza, do you know what the pressures were  
22 later during the negative test?

23 A. No, I don't recall. Sorry.

24 Q. Okay.

25 MR. CLEMENTS:

1                   Could I approach the witness?

2           BY MR. CLEMENTS:

3           Q. I'm going to show you the IADC drilling  
4 reports that the flag state showed you  
5 earlier.

6           A. Okay.

7           Q. Can you tell me how many barrels were  
8 circulated before the cement job?

9           MR. STETLER:

10                   And you're asking according to the  
11                   document he's looking at?

12           MR. CLEMENTS:

13                   Sure.

14           BY MR. CLEMENTS:

15           Q. And do you have an independent  
16 recollection, sir?

17           MR. STETLER:

18                   He wasn't there --

19           MR. CLEMENTS:

20                   Sure. That's why I gave him the  
21                   document. If you would know some other  
22                   way please --  
23                   MR. STETLER:  
24                   No, but if you would ask a precise  
25                   question.

1 MR. CLEMENTS:

2 Sure.

3 BY MR. CLEMENTS:

4 Q. Okay. Do you know how many barrels  
5 were circulated, sir?

6 A. I need clarification here now, this is  
7 -- we are no longer on the negative test?

8 Q. Correct.

9 A. Okay. This piece of the IADC report  
10 says 111 barrels.

11 Q. Okay. Is that the limit? Is that how  
12 much was circulated? I thought I understood.  
13 I didn't have the document in front of me when  
14 Mr. Linsin was asking the questions. But I  
15 thought you might have felt that there was  
16 some more barrels than that.

17 A. Yes, that's correct. We circulated  
18 barrels before that after we got the float  
19 equipment converted.

20 Q. Alright. Could you tell me how many

21 barrels you circulated?

22 A. I don't remember the exact number of

23 barrels.

24 Q. Alright. Is it demonstrated in those

25 reports?

1           A. It's -- it makes reference to  
2           circulating, but it does not make reference to  
3           the amount of barrels.

4           Q. So you, sir, can't tell from those  
5           reports?

6           A. I first and foremost I've never seen  
7           this report before. So --

8           Q. I think you would at least saw it when  
9           the flag state was asking you questions.

10          A. No, I'm sorry.

11          MR. STETLER:

12                 He saw it for about fifteen  
13                 seconds then.

14          THE WITNESS:

15                 You're right. I never saw it  
16                 before today.

17          BY MR. CLEMENTS:

18           Q. Okay.

19           A. Yes, there's reference here to

20 additional circulation. But on this report

21 there is no total volume.

22 Q. Alright. Can you tell me, sir, who was

23 involved at BP in the decision -- in the final

24 decision with regard to the utilization of a

25 long string or a liner tieback casing?

1           A. The engineering group, which was Brian  
2           Morel, Mark Hafle, Greg Walz and the Ops side:  
3           Myself, David Sims, who is my immediate  
4           supervisor, and also a gentleman by the name  
5           of John Sprague. He's Greg Walz's boss. His  
6           title is drilling engineering manager and he's  
7           also the drilling engineer authority.

8           Q. These are all BP employees?

9           A. Yes.

10          Q. This all relates to the well design,  
11          which is purely a BP function, is it not?

12          A. The well design is a BP design with  
13          consultation from some third party vendors.

14          Q. Okay. But this is the play book, if  
15          you will, that BP writes or wrote, did it not?

16          A. Yes, that's correct.

17          Q. Okay. And did you discuss some of the  
18          reasons against using a single string of  
19          casing such as the cement simulations indicate

20 that it was unlikely to be a successful cement  
21 job due to formation break down? Was that one  
22 of the considerations that was discussed by  
23 your team when considering --

24 A. Yes.

25 Q. -- whether or not to use the single

1 string?

2 A. It was -- it was considered the biggest  
3 risk of the operation.

4 Q. Did you discuss whether or not the  
5 prospect that you would be unable to fulfill  
6 the MMS regulations of 500 feet of cement  
7 above the top hydrocarbon zone? Was that a  
8 consideration?

9 A. Yes, we discussed the importance of  
10 being able to get cement coverage.

11 Q. And I think you've already covered that  
12 this would leave an open annulus to the well  
13 head with the seal assembly as the only  
14 barrier?

15 A. That is correct.

16 Q. Alright. And there would be a  
17 potential need to verify with the bond log and  
18 -- conceivably to perform remedial cement  
19 jobs, was that discussed?

20 A. Yes, it was.

21 Q. Alright. Did you also discuss the  
22 advantages to the liner option, such as the  
23 liner hanger acting as a second barrier for  
24 hydrocarbons in the annulus?

25 A. We discussed both the liner hanger and

1 the long string option.

2 Q. And the ultimate decision was purely a

3 BP decision?

4 A. Yes.

5 Q. Whatever you brought to bear?

6 A. Yes, it was a BP decision.

7 Q. Okay. Did using the long string save a

8 lot of time by an order of magnitude of three

9 days?

10 A. It would save time, yes.

11 Q. \$7,000,000 to \$10,000,000?

12 A. In this particular case the basis for

13 that decision was long term wellbore

14 integrity. It just happened to be also a case

15 that it did cost less. So it was a win/win

16 situation.

17 Q. It was a nice coincidence?

18 A. It was a nice coincidence.

19 Q. And did you not opine internally that

20 this was the best economic case using the long

21 string?

22 A. The basis of the decision was because

23 of wellbore integrity.

24 Q. Were the words "The best economic case"

25 used internally among your team?

1           A. In my personal opinion it was because

2           of long term wellbore integrity.

3           Q. Thank you, sir. The question was

4           whether or not the words "Best economic case"

5           is what was discussed among your team and put

6           in writing in a memorandum to your team.

7           A. I'm here telling you my opinion, not

8           the team's opinion.

9           Q. I just simply want to know if what you

10          all said was "Hey, this is the best economic

11          case for us"?

12          A. We said this was the best long term

13          wellbore integrity and it just happened to be

14          a case where it also saved money. So it was a

15          win/win. The decision was based on long term

16          wellbore integrity.

17          Q. Okay. I think my question was direct

18          and asked for a "Yes" or a "No". The question

19          was simply whether or not the words were used

20 internally among your team that this was "The

21 best economic case"?

22 A. Yes.

23 Q. Thank you, sir. You are typically

24 involved in decisions involving the number of

25 and type of centralizers to use in casing

1 operations, cementing operations, were you

2 not, sir?

3 A. Not usually.

4 Q. Well, you were consulted on this

5 occasion --

6 A. Yes.

7 Q. -- during the TA of the DEEPWATER

8 HORIZON, were you not?

9 A. The production casing is not part of

10 the TA operation.

11 MR. CLEMENTS:

12 May I approach the witness,

13 Captain?

14 CAPT NGUYEN:

15 Yes.

16 BY MR. CLEMENTS:

17 Q. Maybe this will help. I've handed you

18 a document marked BP-HZN-CEC022433 containing

19 a series -- containing an e-mail string, do

20       you see that, sir?

21           A.  Yes, I do.

22           Q.  Starting in chronology, which means we

23       go to the bottom one on the page, there's an

24       e-mail from Gregory S. Walz to yourself?

25           A.  Yes.

1 Q. Alright. Greg Walz was a drilling  
2 engineering team leader, is that right?

3 A. Yes, that's correct.

4 Q. Where in the hierarchy of the chain of  
5 command would he fit with respect to you?

6 A. He would be a peer of mine.

7 Q. Alright. Would he report to you or  
8 were you all --

9 A. We were at equal level.

10 Q. Equal levels. Thank you, sir. He  
11 references that Halliburton had come back to  
12 you that afternoon with additional modeling.

13 This was on April 16th, do you see that, sir?

14 A. Yes, I do.

15 Q. And there was some information offered  
16 by Halliburton with regard to the potential  
17 for channeling of the cement higher than  
18 planned?

19 A. Yes. It's in the e-mail.

20           Q.  Okay.  And Mr. Walz informs you that  
21           he's located 15 Weatherford centralizers and  
22           had worked things out with the rig to be able  
23           to fly them out in the morning.  Do you see  
24           that, sir?

25           A.  Yes, I do.

1 Q. So Mr. Walz in response to the  
2 Halliburton -- let me ask you if this is  
3 correct, my understanding is correct that: In  
4 response to the Halliburton additional  
5 modeling had arranged for 15 Weatherford  
6 centralizers to be flown out to the rig?

7 A. Yes, that's correct.

8 Q. Okay. Was this additional modeling the  
9 written report issued by Halliburton which  
10 predicted severe flow with the use of only six  
11 equalizers?

12 A. You're going to have to repeat that  
13 again.

14 Q. Sure. Was this April 16th e-mail to  
15 you and Mr. Walz's arrangements to deliver 15  
16 additional centralizers to the DEEPWATER  
17 HORIZON a response to the Halliburton report  
18 informing you of a model which warned of a  
19 severe gas flow problem? A severe gas flow

20 problem with only 7 centralizers, is that what

21 triggered this?

22 A. I don't believe so.

23 Q. Okay. Well, why did Mr. Walz suddenly

24 the day after Halliburton issued this report

25 arrange on his own for 15 Weatherford

1 centralizers to be delivered to the DEEPWATER

2 HORIZON?

3 A. I believe it references the report on  
4 April 15th.

5 Q. Yes, that is correct. That's the date  
6 of the Halliburton report.

7 A. Uh-huh (affirmative reply).

8 Q. What I want to know, sir, I don't want  
9 to get lost in the dates. Was Mr. Walz's  
10 action of arranging for these 15 centralizers  
11 in response to the Halliburton model  
12 predicting severe gas flow?

13 A. No.

14 Q. Okay. Well, what was it in response  
15 to?

16 A. It was response to a possibility of --  
17 well, the model predicting a possibility of  
18 channeling.

19 Q. Okay. This was a Halliburton model?

20           A. This was a Halliburton model.

21           Q. Okay. Did you see the Halliburton  
22           report created on April 15th at 3:30 in the  
23           afternoon?

24           A. I don't recall the exact time in the  
25           afternoon, but I did see the ECD section of

1 the Halliburton report on the 15th.

2 Q. Okay. Did you see the prediction with  
3 regard to a gas flow problem?

4 A. No, I did not.

5 Q. Did you ever see it prior to the  
6 casualty?

7 A. I never knew it was even part of the  
8 report.

9 Q. Who would look at the Halliburton  
10 report and the prediction of a severe gas flow  
11 problem? Who at BP?

12 A. The reports are generated by the --  
13 through the engineering department. I,  
14 myself, never saw any of the reports, where it  
15 was -- I never saw it in any of the reports.

16 Q. Who's Brian Morel?

17 A. That's one of the drilling engineers.

18 Q. Employed by who?

19 A. BP.

20 Q. Alright. Did Mr. Brian Morel tell you  
21 at any point prior to the casualty that  
22 Halliburton had predicted severe flow  
23 problems, severe gas flow -- a severe gas flow  
24 problem in this well with less than 7  
25 centralizers?

1 A. No.

2 Q. Excuse me?

3 A. No.

4 Q. Okay. I take it then to your knowledge

5 that information was never imparted offshore

6 to the DEEPWATER HORIZON?

7 A. Which report would that be?

8 Q. The report predicting severe gas flow

9 -- a severe gas flow problem with less than 7

10 centralizers.

11 A. The reports that were sent along with

12 the cement job on the 15th, which were sent to

13 the DEEPWATER HORIZON indicated a minor gas

14 flow problem.

15 Q. With 21 centralizers, correct?

16 A. Yes.

17 Q. And a moderate gas flow problem with 10

18 centralizers, that was also issued later in

19 the day on April 15th, was it not?

20 A. I never saw that model.

21 Q. Okay. And then on April 18th wasn't

22 there a model which indicated that with no

23 more than 7 centralizers there would be a

24 severe gas flow problem?

25 A. That's correct. That e-mail was sent

1 on the night of the 18th.

2 Q. Sent to who?

3 A. It was sent to -- I don't know everyone  
4 on the list. It was sent to a lot of people.

5 Q. Was it sent to you?

6 A. It was.

7 Q. Okay. Did you tell the folks out on  
8 the DEEPWATER HORIZON that Halliburton was of  
9 the opinion that with less than 7 centralizers  
10 there would be a severe gas flow problem?

11 A. No. It was sent at 9:00 at night on  
12 Sunday. I was in bed. I looked at the e-mail  
13 the next day. The casing was already run, by  
14 the way. So it was a little bit late. And the  
15 e-mail that I saw from Halliburton just said  
16 "Hey, we're waiting for the -- for the  
17 compressor strength results to come in.  
18 Here's all these different attachments.  
19 Thanks."

20 Q. Did you send the report when you got  
21 out of bed on the morning of Monday the 19th?  
22 Did you send the report out to the DEEPWATER  
23 HORIZON that Halliburton had made this  
24 prediction of severe gas flow with seven  
25 centralizers?

1 A. No, I didn't send it.

2 Q. Okay. Whether you sent the report or  
3 not, did you ever call them and tell them?

4 A. I didn't even know -- I didn't open up  
5 that simulation because it's a simulation and  
6 the casing was already run when it was sent.

7 Q. Is your answer a "No", you didn't call  
8 the rig and tell them that Halliburton had  
9 predicted a severe gas flow problem?

10 MR. STETLER:

11 Counsel, he couldn't have called  
12 him to tell him about something he  
13 didn't know. You've got to understand  
14 that.

15 MR. CLEMENTS:

16 I'm sorry. I thought he said it  
17 was sent to him and he was in bed the  
18 night before.

19 MR. STETLER:

20                   He said it was sent to him in an  
21                   attached report that he didn't see  
22                   because he got it after it was too  
23                   late. That's what he said.  
24                   MR. CLEMENTS:  
25                   The question is: Did he get it?

1 MR. STETLER:

2 The question was: Did you tell the  
3 people, that was your question.

4 MR. CLEMENTS:

5 You're absolutely correct and  
6 that's what I want to know.

7 BY MR. CLEMENTS:

8 Q. Did you --

9 MR. STETLER:

10 I object because he can't tell the  
11 people about something he didn't know.

12 MR. CLEMENTS:

13 Yeah, he did know. He knew on  
14 Monday, the 19th. And what I want to  
15 know is: Whether --

16 THE WITNESS:

17 I did not know on the 19th because I  
18 didn't open the report.

19 BY MR. CLEMENTS:

20 Q. You never looked at the report?

21 A. I didn't look at that report until the

22 24th or something like that.

23 Q. Alright. Do you know if Mr. Brian

24 Morel, the addressee on the Halliburton report

25 told the DEEPWATER HORIZON about the

1 prediction of a severe gas flow problem?

2 A. I don't know.

3 Q. Did anybody else to your knowledge at

4 BP?

5 A. To the best of my knowledge no one from

6 BP or Halliburton.

7 Q. Okay.

8 CAPT NGUYEN:

9 A quick question, Mr. Clements: If

10 you would have opened that attachment

11 and you saw the results, would you have

12 called Mr. Kaluza or Mr. Vidrine and

13 notified them of such an observation?

14 THE WITNESS:

15 We would have -- yes, we would have

16 got together and we would have figured

17 out first why the model was predicting

18 that because there's more to it -- a

19 little more to it than just this one

20 prediction. The model is, first of  
21 all, it's not accurate all the time.  
22 And, to the best of my knowledge  
23 talking to the engineers, they had to  
24 tinker with this model back and forth  
25 and back and forth. The -- some of the

1 input data had been wrong. It was  
2 having a hard time calculating mud  
3 weights. And personally, this is me  
4 not anyone else, I put very little  
5 faith in the model because it's wrong a  
6 lot.

7 CAPT NGUYEN:

8 Okay. Did you receive this e-mail  
9 with an attachment on your smart phone  
10 or is it on a laptop or a desktop?

11 THE WITNESS:

12 I -- no, I got it when I opened up  
13 my e-mail on Monday morning, the 19th.

14 CAPT NGUYEN:

15 On your desktop --

16 THE WITNESS:

17 Yeah, on my laptop. I saw that I  
18 had an e-mail from Jessie and what I'm  
19 worried about is on all these different

20                    attachments is the actual cement -- the  
21                    cement design itself. When I get the  
22                    e-mail the casing was already run. So,  
23                    you know, it was sort of after the  
24                    fact.  
25                    CAPT NGUYEN:

1           Okay. That's your reason for not  
2           opening it?

3           THE WITNESS:

4           No. I mean I didn't open it  
5           because I'm more worried about the  
6           actual cement and I would only have to  
7           want to believe if somebody had run a  
8           program that said this was going to be  
9           severe gas flow that there would, one,  
10          have been a phone call, two, it would  
11          have been at least flagged in the e-  
12          mail not -- not finished, "have a great  
13          day. Thanks."

14          CAPT NGUYEN:

15          Okay. Sorry for the interruption,  
16          sir.

17          MR. DYKES:

18          I've got one question, too, to make  
19          sure I understand everything. At the

20 point in time on the 18th was Brian

21 Morel on the HORIZON or was he still in

22 Houston?

23 THE WITNESS:

24 He was on the HORIZON.

25 MR. DYKES:

1 He was on the HORIZON?

2 THE WITNESS:

3 Yeah.

4 MR. DYKES:

5 Okay. And on the 19th he was on the

6 HORIZON?

7 THE WITNESS:

8 Yes.

9 MR. DYKES:

10 And he didn't -- from what you

11 understand he did not depart the

12 HORIZON until the morning of the 20th?

13 THE WITNESS:

14 That's correct.

15 MR. DYKES:

16 Okay.

17 MR. MATHEWS:

18 And you only were responsible for

19 the well site leaders for the DEEPWATER

20 HORIZON?

21 THE WITNESS:

22 Yes. The engineers reported to the  
23 drilling engineering team leader.

24 MR. MATHEWS:

25 And what time did you have that

1 meeting on the 19th? 7:30?

2 THE WITNESS:

3 Yeah.

4 MR. MATHEWS:

5 Did you prepare for that meeting?

6 THE WITNESS:

7 Yes.

8 MR. MATHEWS:

9 Did you look at all the documents

10 associated with the well operations

11 going on at that time?

12 THE WITNESS:

13 I looked at -- yeah, I looked at

14 the documents that I thought were

15 important, yes.

16 MR. MATHEWS:

17 Then you didn't look at this one,

18 though? You just looked at what type

19 of cement was going in the well?

20 THE WITNESS:

21 Yes.

22 MR. MATHEWS:

23 Okay. Thank you.

24 MR. CLEMENTS:

25 May I proceed? Thank you, sir.

1 BY MR. CLEMENTS:

2 Q. Apparently independent of this -- you  
3 said "Jessie", is that Jessie Gagliano?

4 A. That's correct.

5 Q. He's with Halliburton?

6 A. Yes.

7 Q. He's the one who ran these models and  
8 predicted the severe gas flow problem?

9 A. I don't know if "Prediction"'s a good  
10 word, but, yes, he ran the models.

11 Q. Okay. And did he also predict a  
12 moderate gas flow problem several days earlier  
13 with 10 centralizers?

14 A. I didn't see that model.

15 Q. Do you typically look at the  
16 documentation such as from Halliburton when  
17 the decision is being made regarding how many  
18 centralizers to use in a casing -- excuse me,  
19 in a cement job? Is that something that you

20 do in the normal course of business?

21 A. Can you clarify that?

22 Q. Yeah. Do you typically -- are you

23 typically involved in such decisions as the

24 number of centralizers to use in cement jobs?

25 A. No, not usually.

1 Q. Alright. Why was Gregory Walz e--  
2 mailing you with the revelation that there  
3 should be 15 more Weatherford centralizers,  
4 that he had arranged to fly them out to the  
5 rig on April 16th?

6 A. You'd have to ask him.

7 Q. Okay. And look at the e-mail. He  
8 talks about the need to honor the modeling.  
9 Do you see that? The same e-mail.

10 A. Yeah, I see it.

11 Q. It begins with -- I'm looking at the  
12 sentence there "There's been a lot of  
13 discussion about this and there are different  
14 opinions on the model accuracy. However the  
15 issue is that we need to honor the modeling."  
16 Was Halliburton the only modeling that was  
17 being discussed at the time?

18 A. I believe so.

19 Q. Who's "David"? He was still in the

20 office and he was discussing this, too.

21 A. Yeah, David's my boss.

22 Q. And he agreed to go with the 15

23 centralizers, did he not?

24 A. Yes, according to -- according to

25 Greg's e-mail, yes.

1 Q. Did Mr. Walz state to you in his e-mail  
2 "David was still here in the office and I  
3 discussed this with him and he agreed that we  
4 needed to be consistent with honoring the  
5 model"?

6 A. That's what the e-mail says, yes.

7 Q. Alright. And did Mr. Walz also line up  
8 a Weatherford hand for installing these  
9 centralizers and arrange for the hand and the  
10 15 centralizers all to go out on the same  
11 helicopter flight?

12 A. I'm not sure if they were on the same  
13 helicopter flight, but he did make the  
14 arrangements.

15 Q. Well, a fixed wing flight, whatever it  
16 was. It says "Flight", does it not? "The  
17 same flight."

18 A. Yes.

19 Q. And there was a fear, a concern

20 expressed by him to you that he wanted to make

21 sure -- I'll quote it "I want to make sure

22 that we did not have a repeat of the last

23 Atlantis job", do you see that, sir?

24 A. Yes.

25 Q. Alright. And did he tell you that "I

1 know the planning has been lagging behind the  
2 operations and I have to turn that around."

3 That was his feeling to you in taking the  
4 initiative to arrange for the 15 additional  
5 centralizers?

6 A. I don't know if it was in reference to  
7 that or not.

8 Q. Well, look at the e-mail.

9 A. It doesn't say that that's the --  
10 that's the reason why he made that statement.

11 Q. Are centralizers the only subject of  
12 the e-mail? In terms of planning. Is that  
13 the only planning being discussed, the use of  
14 centralizers?

15 A. There's a lot of plans that are  
16 discussed all the time.

17 Q. Okay. And this e-mail this engineer is  
18 talking about centralizers, 15 additional  
19 centralizers.

20 A. You'll have to ask him.

21 Q. And I'm asking you if that's what the

22 e-mail says.

23 A. That's a sentence in an e-mail. I

24 don't know if that was his intent or not.

25 Sorry.

1 Q. How many centralizers were ultimately  
2 used? 6?

3 A. Yeah, the original plan was 6. That's  
4 what was sent out on the centralizer subs that  
5 was designed by the engineers. And that's  
6 what was run, we stuck with the original plan.

7 Q. 6? 6 would be fewer than the 7 that  
8 Mr. Gagliano predicted would cause a severe  
9 gas flow problem, isn't that right?

10 A. The simulation predicted that we would  
11 lose circulation.

12 Q. And have a severe gas flow problem with  
13 only 7 centralizers.

14 A. The simulation said there was the  
15 potential for a severe gas flow problem and we  
16 would lose circulation.

17 Q. Hindsight's 20/20, but was there a  
18 severe gas flow problem?

19 A. I don't know.

20 Q. On April 20th?

21 A. I have no idea.

22 Q. What was your response to Mr. Walz?

23 Did you express a concern that same day, April

24 16th, that it would take ten hours time to

25 install the centralizers?

1 A. That was one sentence in the e-mail.

2 Q. That was your sentence, was it not?

3 MR. STETLER:

4 Counsel, which question would you  
5 like him to answer? You asked two.

6 MR. CLEMENTS:

7 The one where --

8 MR. STETLER:

9 No, what was your response? Let  
10 him answer that. He can read his  
11 response rather than have you  
12 characterize it in a different way.

13 MR. CLEMENTS:

14 Sure. No problem.

15 THE WITNESS:

16 My response was: "I just found out  
17 the stop collars are not part of the  
18 centralizer as you stated. Also it  
19 will take ten hours to install them.

20           We are adding 45 pieces that can come  
21           off at the last minute. I do not like  
22           this. And, as David approved in my  
23           absence, I do not question it but now I  
24           am very concerned about using them."

25    BY MR. CLEMENTS:

1 Q. Okay. Well, on April 16th, on Friday  
2 four days before the casualty -- and before  
3 the cement job was done you still had time to  
4 find centralizers with stop collars, did you  
5 not?

6 A. These centralizers had stop collars,  
7 but it was supposed to be a different design  
8 than that.

9 Q. Well, I may have said it the wrong way,  
10 but you still had time between the 16th and the  
11 20th to get the particular centralizers in type  
12 and number that you needed, did you not?

13 A. Well, we didn't know if we could find  
14 them. That subject never came up.

15 Q. It did come up in this e-mail, did it  
16 not?

17 A. Well, if you keep on reading the e-  
18 mails it says I agree this is not what I was  
19 envisioning.

20 Q. I don't follow you, sir. But did you  
21 not shut down -- did you not reverse the  
22 decision Mr. Walz had made to utilize  
23 additional -- 15 additional centralizers?

24 A. No, I did not.

25 Q. Okay. Who did?

1           A. After it was discovered that the wrong  
2           centralizers were sent, which references the  
3           Atlantis well, where similar centralizers were  
4           run in a wellbore. There were issues getting  
5           the casing into the wellbore. They had to  
6           pull the casing back out and left a lot of the  
7           centralizers in the well. There was supposed  
8           to be special kind of centralizers that I had  
9           no qualms about running, but they were not  
10          located. After Mr. Walz after it was  
11          identified that the wrong centralizers were  
12          sent I called Mr. Walz and we discussed it.  
13          It was not made in a vacuum. He concurred  
14          that it was a larger risk of running the wrong  
15          centralizers than it was than staying with the  
16          regular plan of 6. I also forwarded the e-  
17          mail to my boss and followed it up with a  
18          phone conversation.

19          Q. Okay. And that was -- that all

20 happened at noon on Friday, April 16th well

21 before the cement job and well before the

22 casualty, did it not?

23 A. It was before the cement job, correct.

24 Q. And the casualty and left you several

25 days to get whatever centralizers you felt

1 might be needed?

2 A. I didn't feel they were needed.

3 Q. Okay. The Atlantis job that you made  
4 reference to several times, the long short of  
5 that was what went wrong there is it cost BP a  
6 lot more time and money, did it not?

7 A. It compromised the wellbore.

8 Q. Well, you had to redo a cement job and  
9 I suppose fish centralizers out of the well,  
10 that was -- that cost you time and money, did  
11 it not?

12 A. It compromised the wellbore.

13 Q. Alright. On this job, on the DEEPWATER  
14 HORIZON, you emphasize that by April 19th, on  
15 that Monday when you got out of bed, it was  
16 too late to do anything about centralizers  
17 because the cement job had already proceeded,  
18 do you recall that testimony?

19 A. I didn't say that.

20 Q. Okay. Did you feel like because the  
21 cement job had already proceeded on the 19th  
22 that there was nothing else to do?

23 A. No, I --

24 Q. With the centralizers?

25 A. No, I said that the analysis that was

1 sent out by Halliburton was sent at an  
2 untimely manner that, by the time it was  
3 actually sent, the casing was already run.  
4 "Sent" that is.

5 Q. Which would certainly increase the time  
6 and money to BP to address this severe gas  
7 flow problem predicted by Halliburton on the  
8 18th? I mean it wasn't too late to do a proper  
9 cement job, it just would have cost a lot more  
10 time and money, isn't that right?

11 A. We did a proper cement job.

12 Q. I'm not sure everyone would agree with  
13 you there, sir.

14 MR. STETLER:

15 Captain, I'm going to object to  
16 just gratuitous comments.

17 MR. CLEMENTS:

18 Withdraw the comment.

19 MR. STETLER:

20 I mean, I know we're on T.V.

21 CAPT NGUYEN:

22 I know, but there's a lot of stuff

23 flying around here so, that's not the

24 first time. But, Mr. Clements, please

25 refrain yourself.

1 BY MR. CLEMENTS:

2 Q. You've given testimony about the  
3 bottoms-up mud circulation issue and I don't  
4 want to spend too much time on that, but I do  
5 want to ask you, sir: Do you agree that there  
6 were benefits to doing a full bottoms-up  
7 circulation prior to the cement job?

8 A. Every well is different. And in this  
9 particular case, being the fact that the major  
10 risk was losing circulation, we concluded that  
11 getting established circulating -- a good  
12 established circulation and not doing a  
13 bottoms-up, a full bottoms-up was beneficial.  
14 We planned the job so that the bottoms-up was  
15 above the wellhead when the cement job was  
16 complete. We pumped extra spacer, which is  
17 the way to remove any debris and prepare the  
18 well for the cement. Industry accepted  
19 contact times a spacer is 10 minutes, ours was

20       30. We pumped a large amount of cement for  
21       this type of job and, by the time the cement  
22       was in place, there were going to be almost  
23       1,000 barrels circulated past the reservoir.

24       Q. Doesn't API recommend a full bottoms-up  
25       be conducted before a cement job?

1 A. It depends on the wellbore conditions.

2 Q. Does API so qualify?

3 A. Pardon me?

4 Q. Does the API make that distinction in

5 it's recommendation that a full bottoms up

6 circulation be performed prior to a cement

7 job?

8 A. Well, all wells are different and you

9 need to base your decision on the situation of

10 your wellbore.

11 Q. A full bottoms-up would not just

12 facilitate a solid cement job, but it would

13 also give you information about gas deposits

14 in the mud when it came up, would it not?

15 A. We got that information.

16 Q. But not from doing full bottoms-up mud

17 circulation?

18 A. We got the information.

19 Q. You didn't do a full bottoms-up mud

20 circulation?

21 A. We got the bottoms-up circulated above

22 the wellhead and after the cement job we

23 circulated out and there was no gas.

24 Q. Sir, can we agree that a good cement

25 job is an essential barrier to gas flow?

1 A. A good cement job is a barrier, yes.

2 Q. As you sit here today can you say with  
3 any degree of certainty that the well blow out  
4 was not due to a failure of the primary  
5 cement?

6 A. I can't speculate about what happened.

7 Q. You care not to?

8 A. No, I can't.

9 MR. STETLER:

10 He said he "Can't."

11 THE WITNESS:

12 No, I can't. I don't know what  
13 happened.

14 BY MR. FANNING:

15 Q. Wouldn't that explain how hydrocarbons  
16 got in this casing?

17 A. I don't know what happened.

18 Q. The decision, sir, with regard to  
19 running a liner and a tieback instead of a

20 long string and the other issues we talked  
21 about regarding centralizers, heavy loss  
22 circulation, pills and spacers, number of  
23 centralizers, were these ultimately all  
24 decisions made by BP?  
25 A. And some of the third party

1 contractors.

2 Q. Upon whom you relied?

3 A. Yes.

4 Q. Okay. But they didn't make the  
5 decisions, BP made the decisions, did they  
6 not?

7 A. They aided in making the decisions.

8 Q. In helping you to make the decisions.  
9 What they wanted to do one way or the other  
10 didn't matter, it was BP who made the  
11 decisions here with regard to all these well  
12 design issues, isn't that correct?

13 A. No. We take into account a lot of  
14 people's recommendations.

15 Q. But it's your play book, you wrote it,  
16 you picked the team, you call the plays, you  
17 dictate in what order they're going to be run.

18 And you may listen to someone else, but  
19 ultimately BP makes all these decisions, does

20 it not?

21 MR. STETLER:

22 Captain, I would object to the

23 argumentative speech.

24 CAPT NGUYEN:

25 Mr. Clements, we got your point.

1 Let's just move on, thank you.

2 MR. CLEMENTS:

3 Thank you sir.

4 BY MR. CLEMENTS:

5 Q. And were these decisions made on the  
6 basis of a risk reward analysis in each case?

7 A. The decisions were all based on what  
8 was going to result in the best long term  
9 wellbore integrity.

10 Q. And in each case with every decision  
11 that BP made didn't it reduce the cost of the  
12 project?

13 A. All of the decisions were based on long  
14 term wellbore integrity.

15 Q. I asked you about the cost of the  
16 project, sir. Didn't each of these decisions  
17 reduce the cost to BP of this project?

18 A. Cost was not a factor.

19 Q. I didn't ask you if it was a factor. I

20 asked you if it reduced the cost. It's a fact

21 question, sir. Did it not reduce the cost in

22 each case?

23 A. All I was concerned about was long term

24 wellbore integrity.

25 MR. CLEMENTS:

1                   Captain, will you instruct the  
2                   witness to answer the question? I just  
3                   want to know if doing all these  
4                   decisions saved this company money.

5                   **THE WITNESS:**

6                   No, it did not.

7                   **BY MR. CLEMENTS:**

8                   Q. Alright. What didn't save you money?  
9                   Which of these decisions that you made drove  
10                  up the cost of the project as opposed to  
11                  saving BP money? Can you think of any?

12                  A. Well, if you want to address them  
13                  individually you can ask me, but I'm -- I'm --  
14                  I already answered the question.

15                  Q. What was the answer?

16                  A. That these decisions were not based on  
17                  saving BP money. They were based on long term  
18                  wellbore integrity.

19                  Q. Alright. The TA plan that was prepared

20 by BP and submitted to MMS by BP did that not

21 set out the sequence of work in the last few

22 days to temporarily abandon the Macondo well?

23 A. Yes.

24 Q. And it set forth a specific ten -- ten

25 part or so sequence, did it not? It set forth

1 a sequence?

2 A. Correct.

3 Q. It was a step by step procedure?

4 A. Correct.

5 Q. Alright. And the BP company man had to

6 approve each step before the next one was

7 taken, isn't that right?

8 A. We had to successfully accomplish each

9 step before the next one was -- you know,

10 before we moved onto the next step.

11 Q. Yeah. In the judgement of the BP

12 company man, right?

13 A. With the judgement of the people

14 onboard, they talked. You know, it's a team.

15 They talked to all the folks.

16 Q. Okay. But only one person on that team

17 makes the decision regardless of what the rest

18 of the team thinks and that's the BP company

19 man, is it not?

20           A. They take into account the opinions of  
21           the people onboard.

22           Q. Sure, sure. And I'm sure you prepared  
23           for this testimony today, but listen to my  
24           question, sir.

25           MR. STETLER:

1           Again. Excuse me. I'm going to  
2           object to these extraneous comments  
3           that are meant to do nothing but  
4           embarrass and insult the witness. It's  
5           just not right and it's not fair.

6           MR. CLEMENTS:

7           Well, in fairness to everyone in  
8           the room I'm getting a lot of argument  
9           here and a lot of resistance to  
10          straight forward questions and I think  
11          if I got questions to -- answers to the  
12          narrow questions I'm asking we would  
13          have been done by now.

14          CAPT NGUYEN:

15          I think I've got it pretty clear  
16          here that the contractors, third  
17          parties provide input to BP and at the  
18          end of the day BP made the final  
19          decision. So I got it.

20 MR. CLEMENTS:

21 Alright.

22 CAPT NGUYEN:

23 So let's move on.

24 MR. CLEMENTS:

25 Alright.

1           CAPT NGUYEN:

2           Well, this is what I -- do you  
3           agree with that, Mr. Guide?

4           THE WITNESS:

5           Yes, sir.

6           CAPT NGUYEN:

7           Okay.

8           MR. CLEMENTS:

9           You had better luck than me. Thank  
10          you, sir.

11         BY MR. CLEMENTS:

12         Q. What I'm ultimately getting to and this  
13         is a narrow question: The lockdown sleeve,  
14         which was part of the TA plan submitted by BP  
15         on April 16th, had step number-6 "Set the 9 and  
16         7/8ths inch lockdown sleeve." Was there any  
17         reason why that lockdown sleeve could not have  
18         been the first step taken in the TA procedure?

19         A. It could have been, however the reason

20 the lockdown sleeve is set last is because it  
21 has two primary functions. One of the  
22 functions is it is an internal seal for the  
23 future production equipment that is set on top  
24 of the well. Therefore you want to minimize  
25 any wire and/or pipe movement through it

1 because you don't want to get scratches that  
2 can affect the seal. The second is that it  
3 does provide the casing from thermally  
4 expanding during the production operation.  
5 The primary mechanism -- sorry, the primary  
6 function of that lockdown hanger is to provide  
7 a sealing surface internally for production  
8 based equipment at the end of the well when  
9 it's completed.

10 Q. Do you know if when BP considered the  
11 possible buoyancy effects on the casing after  
12 the lockdown sleeve was put in place?

13 A. After the lockdown sleeve was put in  
14 place?

15 Q. Correct.

16 A. I didn't do any calculations or know of  
17 any calculations in buoyancy after the  
18 lockdown sleeve was in place.

19 Q. This was an unusually deep displacement

20 of mud from the well, was it not?

21 A. It was deeper than normal due to the

22 fact that the lockdown sleeve needed a way to

23 lower it to get set properly.

24 Q. And do you know what considerations BP

25 gave with regard to the high differential

1 pressure due to the unusually deep  
2 displacement of the mud from the well?

3 A. Differential pressure in what -- in  
4 what capacity? I mean --

5 Q. Well, the additional pressure -- given  
6 the depth of this well, the displacement of  
7 mud with water in a volume much greater than  
8 is standard as normal?

9 A. We were going to do a displacement at  
10 roughly 8300 feet. It was a little bit -- it  
11 was deeper than normal, we got MMS approval to  
12 set the plug deeper purely so we could set the  
13 lockdown hanger properly. And that's --  
14 that's it.

15 MR. CLEMENTS:

16 One second. That's all I have,  
17 thank you, sir.

18 EXAMINATION

19 BY CAPT NGUYEN:

20 Q. Mr. Guide, just a couple of questions  
21 to follow up. You said that you don't always  
22 trust the results of the Halliburton  
23 simulation, is that right?

24 A. That is correct.

25 Q. Okay. Why pay for it if you don't

1 always trust the product. I'm not asking you  
2 how much it costs. I don't -- I don't care  
3 about that.

4 A. It's part of the service that  
5 Halliburton supplies and some people have  
6 different opinions than others.

7 Q. Okay.

8 A. And I personally, from past  
9 experiences, do not put as much faith in the  
10 results because sometimes it works and  
11 sometimes it doesn't. And, once again, like I  
12 said on this particular case the simulation  
13 was wrong because the simulation said that we  
14 would lose circulation when we did the cement  
15 job. And we didn't.

16 Q. Okay.

17 A. We had full returns.

18 Q. So maybe I'm not making the connection  
19 here, but if the work done by Halliburton is

20 suspect -- not suspect, maybe that words too  
21 strong. Is not "Reliable", is that the better  
22 word? "Reliable" or not as "accurate" as you  
23 would like it to be? Why not run a CBL on the  
24 cement job if you're not sure what the  
25 modeling is telling you and the cement job?

1 Why not run a CBL to, you know, confirm the  
2 quality of the cement job?

3 A. As opposed to relying on the  
4 simulation, which is a model which is just  
5 that, we rely on the actual results of the  
6 cement job. And in this particular case we  
7 had full returns running the casing, we had  
8 full returns cementing the casing, we had  
9 positive lift pressure, we bumped the plug on  
10 time, we checked for flow. We had no flow on  
11 the annulus and no flow on the casing. So in  
12 my professional opinion every indicator  
13 possible to this cement job being successful  
14 was achieved.

15 EXAMINATION

16 BY MATHEWS:

17 Q. Just one more question: You named a few  
18 indicators there. Did you look at flow in and  
19 flow out at that time period?

20 A. Yes, we measured -- we measured

21 returns, yes.

22 Q. Was there any returns that came in

23 around 80 barrels around that time frame?

24 A. I'm sorry --

25 Q. During the cement job, during the

1 duration of the cement job, did DEEPWATER  
2 HORIZON obtain 80 barrels greater than what  
3 was going out?

4 A. You're going to get -- you are going to  
5 get more barrels back than what you started  
6 with -- I'm sorry, you're getting more barrels  
7 of mud back because you're putting in cement.  
8 So you are going to get more barrels back.

9 Q. Are you familiar with the DEEPWATER  
10 HORIZON flow in, flow out?

11 A. I know what the flow meter is. Yes,  
12 sir.

13 Q. Is there a difference between the  
14 two over time -- the difference between flow  
15 in and flow out, is there a difference between  
16 the two flow meters over time? Like say 2  
17 percent or 3 percent that you would look at?

18 A. Every time I was there it was very  
19 apparent that the Transocean people and the BP

20 people just looked at the Transocean flow

21 meter.

22 Q. If you probably saw a discrepancy

23 of greater than 10 percent on your flow out as

24 opposed to your flow in, would that be a red

25 flag or alarm that you were possibly having

1 some flow back to the rig?

2 A. Yeah, I would think that. Yes.

3 Q. Okay.

4 A. I wasn't aware of that --

5 Q. I know you haven't seen the data, I'm

6 just asking for an indication why there --

7 A. Yeah, the flow in and flow out should

8 be close.

9 MR. MATHEWS:

10 Okay. Thank you.

11 CAPT NGUYEN:

12 Anadarko, MOEX Offshore?

13 E X A M I N A T I O N

14 BY MS. KIRBY:

15 Q. Good afternoon, Mr. Guide. I'm sure

16 you're wondering what I could possibly have

17 left to ask you. My name is Ky Kirby and I

18 represent and Andarko and MOEX Offshore. I

19 want to begin with just some basic stuff. For

20 every well there is an offshore team and an

21 onshore team, is that right?

22 A. Yes, that's correct.

23 Q. And the onshore team is called "Town"?

24 A. Yeah, some people refer to it as town.

25 Q. And you are a well team leader, right?

1 A. Yes.

2 Q. And what are the titles of the people  
3 that you lead?

4 A. There's only two people that report to  
5 me and that's -- well, at one time on the --  
6 and that's the two well site leaders on the  
7 rig.

8 Q. Alright. And those well site leaders  
9 are BP employees, right?

10 A. In this particular case, yes.  
11 Sometimes they are consultants.

12 Q. Alright. So the two I believe we're  
13 talking about, Mr. Vidrine and Mr. Kaluza,  
14 were BP employees or are sorry?

15 A. Yes, that's correct.

16 Q. And your peer I believe you said is Mr.  
17 Gregory Walz, is that right?

18 A. Yes, ma'am.

19 Q. And he leads the drilling engineer --

20 he's a drilling engineer team leader, is that

21 right?

22 A. Yes, ma'am.

23 Q. And he leads who within BP?

24 A. He's in charge of the drilling

25 engineers that were assigned to the

1 exploration and appraisal group and on this  
2 particular well that was Brian Morel, Mark  
3 Hafle and Bret Cocales.

4 Q. Alright. And the drilling engineer  
5 team are they the ones who design the well and  
6 adjust the design as needed?

7 A. Yeah. They're part of a design team.  
8 There's also a lot of input from the  
9 subsurface team.

10 Q. Okay. You said that -- well, you said  
11 that there is a risk register for every well?  
12 Did I understand that right?

13 A. Yes, that's correct.

14 Q. And there was one for this well, is  
15 that right?

16 A. Yes, ma'am.

17 Q. When is the risk register created?

18 A. It's created at the beginning of the  
19 well and then it's updated and some risks --

20       you know, depending on the sequence of events,  
21       some risks then go away because that part of  
22       the well's done and then maybe newer risks are  
23       identified.

24           Q.   Alright.  And who updates that risk  
25       register?

1 A. It's the engineering department.

2 Q. So, in this case for the Macondo well,  
3 it would be Gregory Walz, is that right?

4 A. I think it's really the engineer that  
5 does it. Not necessarily the team leader.

6 Q. Alright. Do you know which of his  
7 engineers was taking care of updating the risk  
8 register for the Macondo well?

9 A. I believe it was Mark Hafle.

10 Q. Now did you have any role in signing  
11 off any programs or well procedures that the  
12 engineers prepared or proposed?

13 A. Yes. I had -- I had to sign off on the  
14 well plan.

15 Q. Alright. And the well plan I gather  
16 was originally designed for six centralizers,  
17 right?

18 A. No. It was not.

19 Q. What was it?

20 A. I'm sorry, can I clarify that?

21 Q. Yes.

22 A. The original well plan didn't even have

23 these casing strings in it. They were

24 supplements later.

25 Q. Alright. So when did the six

1 centralizers come into the picture?

2 A. So later on the supplemental pieces of  
3 the other procedure the well plan had six  
4 centralizers. Yes, on the production casing.

5 Q. And when in time in relation to the  
6 event, a month before, a few days before did  
7 this occur?

8 A. I believe the first draft was sent out  
9 around the 12th of April I believe.

10 Q. So around April 12 the engineers  
11 proposed six centralizers, is that right?

12 A. I might be off a day or so, but yes.

13 Q. Okay. And which engineer actually came  
14 up with this proposal?

15 A. I think it was Brian Morel. I'm not  
16 sure if it was Brian and Mark, but Brian  
17 Morel.

18 Q. Were there calculations that Mr. Morel  
19 did in order to come up with his six

20 centralizers?

21 A. I don't know, ma'am.

22 Q. You never saw any?

23 A. No, ma'am.

24 Q. Alright. Do you work very closely with

25 Mr. Morel?

1           A. I work with the engineers. I don't get  
2 into the, you know, nitpick details with them.

3           Q. Nitpick details like: Did you do  
4 calculations for six centralizers?

5           A. That's the -- they have a boss that  
6 gets into all of the nitty gritty so to speak.  
7 And that's Greg Walz. I, myself, am in charge  
8 of the -- well, not really. I supervise the  
9 well site leaders so we are actually -- who  
10 are actually performing the day to day  
11 operations.

12          Q. Alright. So if anybody was going to  
13 ask Mr. Hafle if he did these -- it's "Hafle"?

14          A. "Hafle", yes.

15          Q. "Hafle", excuse me. If he did these  
16 calculations it's going to be Mr. Walz, right?

17          A. Yes, ma'am.

18          Q. Okay. Now we have talked today about  
19 how there apparently were three Halliburton

20 simulations for the centralizers, true?

21 A. There might have been more. I don't  
22 know exactly how many simulations they ran.

23 Q. Okay. There was certainly one on the  
24 15th of April that you did see, correct, and  
25 one for 21 centralizers, right?

1 A. That is correct.

2 Q. Alright. And, when you looked at that  
3 simulation, you saw that the -- well, you were  
4 looking for the ECD, right?

5 A. Yes, ma'am.

6 Q. And the ECD is effective circulating  
7 density, is that right?

8 A. Equivalent circulating density.

9 Q. Alright. And that's important why?

10 A. In this particular case the -- once  
11 again, the main concern was losing circulation  
12 and, when you're actually cementing a well,  
13 the pressure that you see is the equivalent  
14 circulating density.

15 Q. Alright. So, ECD, equivalent  
16 circulating density, is an important parameter  
17 for avoiding losses, true?

18 A. That's correct.

19 Q. Losses due to formation break down,

20 right?

21 A. That's correct.

22 Q. And also for avoiding kicks, true?

23 A. No. We usually don't try to base our

24 -- I'm sorry, we don't drill with ECD as the

25 only over pressure. So we try to drill with

1 mud weight.

2 Q. When you were drilling this well you  
3 had loss circulation at 14.7 plus ECD, didn't  
4 you?

5 A. Yes, that was at the -- that was at the  
6 bottom of the well at 18,260 I believe.

7 Q. And when you were looking at the  
8 Halliburton April 15 simulation you focused in  
9 on the ECD there, which was lower than that,  
10 right?

11 A. Yes.

12 Q. It was 14.65, does that ring a bell?

13 A. I don't remember the exact number, but  
14 it was lower than 14.7.

15 Q. Alright. And did you read -- you  
16 obviously read the statement in the simulation  
17 that the gas flow potential was considered  
18 minor, true?

19 A. No, ma'am. I didn't read that.

20 Q. Don't you think the gas flow potential

21 section is an important section of the

22 simulation?

23 A. I didn't know that section even

24 existed, ma'am.

25 Q. Who gives you these reports to read?

1 A. Halliburton sends us these reports.

2 Q. Alright. And what is your  
3 responsibility with respect to these reports,  
4 if any?

5 A. All the simulations are generated by  
6 the engineers and then they're -- and then  
7 they're discussed. I'm looking at the ECD  
8 section. In the three years that I worked on  
9 the DEEPWATER HORIZON with all these different  
10 simulations, I never heard anyone make any  
11 reference to a gas flow section.

12 Q. So you never actually flipped through  
13 the entire report and read it to see what it  
14 said in section-5.4 gas flow potential?

15 A. That's correct.

16 Q. Okay. So you did not know that the 21  
17 centralizers had a minor gas flow potential?

18 A. That is correct. I did not know that.

19 Q. Were you concerned at all about what

20 the gas flow potential was with 21

21 centralizers?

22 A. Ma'am, as I stated I didn't even look

23 at that section.

24 Q. Did you read in the Halliburton April

25 15th report that the annulus fluid would be

1 heavier than the casing fluid by just 18 psi?

2 A. Yes, I do remember -- I don't remember  
3 the exact psi, but I do remember the engineers  
4 talking about they wanted to try to minimize  
5 the actual weight of the cement slurry that  
6 was going to be in the annulus once the cement  
7 job was done purely because of lost  
8 circulation.

9 Q. Alright. And the 18 psi differential  
10 is so tiny it's hard to detect, isn't it?

11 A. Yes, it's -- it's not a lot.

12 Q. Alright. Now, I gather from your  
13 testimony today, that you never saw the April  
14 18th report and it's indicator of a severe gas  
15 flow problem with 7 centralizers until days  
16 after the incident, true?

17 A. That's true.

18 Q. But on April 16th you were having an e-  
19 mail exchange with Mr. Walz about how the 21

20 centralizer simulator lowered the ECD to 14.65

21 while the six centralizer model had it over

22 15, correct?

23 A. Yeah. He -- he and I discussed --

24 discussed this e-mail on the phone.

25 Q. So 15 ECD was too high, right?

1           A.  If -- if we saw 15 ECD then, yes, it  
2           probably would have been too high.

3           Q.  And that's why Mr. Walz, who is the  
4           drilling engineer team leader, said to you  
5           "I've authorized and ordered" -- I think it  
6           was 14 more centralizers, true?

7           A.  I believe he said 15.

8           Q.  15, my apologies.  And now Mr. Walz I  
9           think you told me is the head of the team that  
10          makes the recommendations about how many  
11          centralizers to use, right?

12          A.  That's correct.

13          Q.  So they made the six centralizer  
14          recommendation in the first place, right?

15          A.  Yes.

16          Q.  And now Mr. Walz on the 16th was making  
17          a 20 or maybe 21 centralizer recommendation,  
18          right?

19          A.  Yes, that's correct.

20 Q. But you wrote back to him and said on  
21 that day "I just found out there's no stop  
22 collars and I'm really concerned about using  
23 those. It will take an additional ten hours  
24 to put on and 45 additional pieces", right?

25 A. I believe I said that I was worried

1       that they were the wrong kind and I didn't  
2       want to spend ten hours putting on the wrong  
3       pieces of equipment that we had an issue with  
4       previously on a well several days earlier.

5       Q.   So, when you wrote "I am concerned",  
6       then Mr. Walz said "I understand. I'll call  
7       you directly", right?

8       A.   Yes. Then we talked about it.

9       Q.   And what did you say to each other?

10      A.   The consensus was that the risk of  
11      running the wrong centralizers was a bigger  
12      risk than making a sole decision on honoring  
13      the model, which we know was sometimes right  
14      and sometimes wrong.

15      Q.   And I may have missed this, but why was  
16      it that you couldn't wait and get the right  
17      centralizers?

18      A.   That -- that subject to the best of my  
19      knowledge never came up.

20 Q. Alright. Then perhaps you'd answer the

21 question.

22 A. Pardon me?

23 Q. It just never came up?

24 A. We were more than comfortable with the

25 original design, which was six centralizers.

1 Q. So you had in front of you a  
2 Halliburton model that showed you some real  
3 problems -- or you were told about them anyway  
4 by Mr. Walz, the man in charge of recommending  
5 the centralizers, true?

6 A. He said the model run indicated it  
7 could result in lost circulation. After we  
8 found out the wrong centralizers were sent we  
9 discussed it and the concurrence was it was a  
10 bigger risk to run the wrong centralizers than  
11 it was to believe in the model that we know is  
12 sometimes right and sometimes wrong.

13 Q. So what you're telling me today is that  
14 there was just no discussion among you --  
15 between you and Mr. Walz about just waiting  
16 for the right centralizers? None, zip, zero,  
17 true?

18 A. That subject never came up.

19 Q. Alright. And then you called Mr. Sims,

20 your boss, didn't you?

21 A. Yes, I sent him an e-mail and I left

22 him a voice mail.

23 MS. KARIS:

24 Captain, I apologize for

25 interrupting, but we're going over the

1 exact same question with the exact same  
2 documents that have already been  
3 covered by prior counsel. This is  
4 entirely cumulative and repetitive of  
5 what we've already heard.

6 MS. KIRBY:

7 I don't think so. I think I've  
8 gone into places where no one has gone  
9 before.

10 MS. STETLER:

11 If I can second the sentiment that  
12 this is deja vu all over again. We've  
13 heard it so many times.

14 CAPT NGUYEN:

15 Let me allow Counsel to go a little  
16 bit further, but be mindful --

17 MS. KIRBY:

18 I don't have that much.

19 BY MS. KIRBY:

20 Q. Now, what did you and Mr. Sims discuss

21 during that phone call?

22 A. We didn't. He didn't call me back.

23 Q. He didn't call you back?

24 A. No, ma'am.

25 Q. Now, Mr. Sims was the one who had

1 authorized ordering the additional

2 centralizers, is that true?

3 A. Yeah. Mr. Sims is my boss. I was sick

4 the day that they did this, so he authorized

5 it. Yes.

6 Q. Okay. So he had authorized ordering

7 additional ones and then Mr. Walz told you

8 about it and he said "I went to him because

9 you were out. And I'm really sorry I

10 overstepped my authority", true?

11 A. He didn't -- it didn't matter to me

12 that he ordered the centralizers and sent them

13 out.

14 Q. When he said "I'm really sorry if I've

15 overstepped my authority", what did you

16 understand him to be apologizing about?

17 A. He was apologizing for something that

18 he didn't have to apologize about.

19 Q. Was it because you got to make the

20 decisions about how much to spend?

21 A. No, ma'am.

22 Q. Alright. Now the April 18 Halliburton

23 report, when you finally read it on April 24th,

24 did you actually go through the whole thing or

25 did you just look for the ECD on that one?

1           A. It was -- it was brought to my  
2           attention that the run was indicating a severe  
3           gas flow.

4           Q. Alright. And did you look at the  
5           difference in the weight between the casing  
6           and annulus fluid?

7           A. I might have. I don't recall the  
8           number, ma'am.

9           Q. That was based on -- that particular  
10          model was based on the use of seven  
11          centralizers, true?

12          A. Seven or six.

13          Q. Okay. Would you like me to show it to  
14          you so that you can refresh your recollection?

15          A. Yes, ma'am.

16          Q. Alright.

17                 MS. KIRBY:

18                 For the record this document is

19                         stamped HAL0010988 and it was taken off

20 the home port with the June 14 Waxman

21 letter to Mr. Hayward.

22 BY MS. KIRBY:

23 Q. Now let me see if I can direct you to

24 the right page and maybe we can make this

25 quick. Okay. Page-17 if you'll look at the

1 top under 5.1 "Volume and pressure results".

2 Do you see what it says about how heavy the  
3 annulus fluid is versus casing?

4 A. 38 psi.

5 Q. Alright. And that's a very tiny amount  
6 as well, isn't it?

7 A. Yes, it is.

8 Q. Alright. Now the results that were  
9 seen after the cement was run were -- I think  
10 -- did you say 70 psi?

11 A. Yes. There was -- there was lift  
12 pressure of 70 psi, 70 or 80.

13 Q. Now, given that that's much higher than  
14 the 38 that was expected with seven  
15 centralizers, what does that suggest to you?

16 A. Ma'am, this 38 psi is an effect of the  
17 annulus pressure after the job is done being  
18 pumped.

19 Q. If you get much higher pressure than

20 the differential that's shown isn't that

21 evidence of likely channeling?

22 A. I'll say it again, ma'am: This volume

23 and pressure results here is based on after

24 the fluid is in place. The -- the actual 70

25 and 80 pounds of lift pressure also has the

1 pump pressure effective, it going around the  
2 bend so to speak. This is -- this number here  
3 is once everything is done and said the  
4 annulus has a fluid column in it that's 38 psi  
5 higher than the fluid inside the casing.

6 Q. So it's your testimony that it doesn't  
7 mean there's any channeling? There's no  
8 indication there at all?

9 A. That's correct. My testimony is it did  
10 not indicate there was channeling.

11 MR. DYKES:

12 Let me interject right here right  
13 quick. I don't know where you're going  
14 with your line of questioning. But on  
15 that 38 psi, what is that an indication  
16 of? That's after your cement is set?

17 THE WITNESS:

18 Not set, sir. After --

19 MR. DYKES:

20                   It's after it's been pumped into

21                   place?

22                   **THE WITNESS:**

23                   Yes, sir.

24                   **MR. DYKES:**

25                   And it's an indication that you're

1 at near balanced conditions between the

2 inside and the outside of the casing?

3 THE WITNESS:

4 Yes, sir.

5 MR. DYKES:

6 Thank you.

7 BY MS. KIRBY:

8 Q. Which brings us to the next question:

9 When you have that kind of situation is it --

10 can you adequately check the float valve by

11 just looking for a U-tube?

12 A. I think it makes it more difficult.

13 Q. So what was done here in order to make

14 sure you adequately checked them?

15 A. Once -- once the job is in place we

16 shut down and we -- we checked for flow in

17 either direction. And, in this particular

18 case, there was no flow coming back up the

19 casing and there was no flow in the annulus.

20 Q. But we just talked about how the weight  
21 between the two was pretty much -- it was  
22 pretty close, right? So it may not be enough  
23 to let the well flow at that point in time.  
24 So, when you're looking for a U-tube you're  
25 not seeing anything yet, right?

1           A. Yeah. That's possible. What you're  
2           doing is checking to see if the well was  
3           flowing. In this particular case it was not  
4           flowing.

5           Q. Right. And was any consideration given  
6           to putting a bridge plug? Setting a bridge  
7           plug and testing?

8           A. No, ma'am. We bumped the plug and on  
9           time and consequently also tested the pack off  
10          in the annulus to -- well, we set it with  
11          10,000 psi and then tested the casing to 2500  
12          psi, which meant that the casing was obviously  
13          holding 2500. So there was no thought that a  
14          bridge plug was needed.

15          Q. I'm sorry, did you do an isolation  
16          packer? Is that what you are saying?

17          A. No, we actually closed the blind shear  
18          rams and pressured up the whole string of  
19          casing to 2500 psi, as per the MMS

20 regulations, and we also did a 250 psi load

21 test on it.

22 Q. Alright. Were you made aware of the

23 plan to use 454 barrels of Form-A-Set and

24 Form-A-Squeeze as a spacer?

25 A. I was aware that they were going to use

1 the pills that were next to -- used as a  
2 spacer. Yes, ma'am.

3 Q. And you were made aware of that in  
4 advance?

5 A. Yes, ma'am.

6 Q. Did you approve it?

7 A. Yes.

8 Q. Did you know that these two materials  
9 were not designed for spacer applications?

10 A. Our drilling fluid contractor, MI, ran  
11 pilot tests to ensure that they would be  
12 adequate for a spacer and our in house BP mud  
13 guys also checked to see if it was adequate to  
14 use as a spacer and they both came back and  
15 said that it was adequate to use as a spacer.

16 Q. I see. And was 454 barrels of spacer  
17 needed for this job?

18 A. I mean -- it can be and it can't be.

19 Q. It wasn't necessary, was it?

20           A. It -- it's okay. I mean it's -- I

21           don't see any problem in it.

22           Q. Were you asked to approve it so that

23           the spacer could be disposed of down hole --

24           or used downhole and then disposed of under

25           the Drilling Fluid Exemption?

1           A. We were going to be able to dispose of  
2           it because it was circulating -- recirculated  
3           down the hole. But if the pilot test said  
4           that it was not applicable for this situation,  
5           then we would have pumped it onto the boat and  
6           disposed of it like we do -- we dispose a  
7           bunch of stuff at the end of every well.

8           Q. So it was explained to you when your  
9           approval was sought, that if we use this as  
10          spacer downhole we don't have to dispose of it  
11          offshore in a special way, correct?

12          A. You wouldn't dispose of it --

13          Q. I mean onshore. Pardon me.

14          A. Yes.

15          Q. You did know that?

16          A. Yes, ma'am.

17          Q. Alright. Now you were asked about the  
18          lockdown sleeve. The lockdown sleeve was not  
19          locked down obviously when there was a

20 displacement with seawater, true? It wasn't

21 even set, right?

22 A. That's right.

23 Q. And the design or the procedure, the

24 TA, temporary abandonment procedure actually

25 caused the locking down of the sleeve after

1 the displacement had taken place, true?

2 A. Yes.

3 Q. Were any lift calculations run before  
4 the determination was made not to lockdown the  
5 sleeve before seawater displacement -- or  
6 displacement to seawater?

7 A. I did not run any, ma'am.

8 Q. Was any consideration given to the  
9 possibility that the casing might move up  
10 during the process?

11 A. I didn't consider that. No, ma'am.

12 Q. Alright. Is it common for BP to  
13 lockdown sleeves in seawater?

14 A. Yes, ma'am. I have personally been  
15 involved in the setting of 17 lockdown hangers  
16 and on every occasion it was the last thing  
17 that we did in seawater.

18 Q. Alright. So that was how many?

19 A. 17.

20 Q. 17, alright. And was the displacement

21 to seawater at 83 -- or as low as, deep as

22 8367 feet?

23 A. No, ma'am. They weren't all that deep.

24 Q. What was the deepest?

25 A. I don't remember, ma'am. It's been

1 since 2000.

2 Q. Is it fair to say that, had the  
3 lockdown sleeve -- if the casing had moved up,  
4 if the lockdown sleeve had already been locked  
5 down, that would have held the casing in place  
6 and kept it from moving upward, perhaps into  
7 the blow out preventer?

8 A. I -- I don't know that, ma'am.

9 Q. It's an extra safety measure, isn't it?

10 A. It is in place for the production mode  
11 of a well and -- so it serves the purpose of  
12 keeping all of the casing in place during the  
13 thermal expansion after a well heats up when  
14 it's producing.

15 Q. Right, I understand. But it is an  
16 extra safety measure, it holds things down  
17 doesn't it?

18 A. But once again not in the drilling --  
19 in the drilling mode that we were in. That's

20 not -- that's not it's function.

21 Q. You testified earlier that it was not

22 essential to displace to seawater and then

23 lockdown the sleeve to do it in that sequence,

24 do you recall?

25 A. Would you repeat that, ma'am.

1 Q. You testified earlier that it was not  
2 essential for you to first displace to  
3 seawater and then lockdown the sleeve?

4 A. It was -- it is the preferred method  
5 since you don't have to run -- when you don't  
6 have to run drill pipe through the lockdown  
7 hanger.

8 Q. But you could have and in fact had a  
9 contingency plan by which you would set it in  
10 mud and therefore do the displacement and the  
11 cement plug after that, true?

12 A. Yes. If we -- if we could not get  
13 approval from the MMS to set the plug deeper.  
14 But we did get the approval. Then we would  
15 have had to set the lockdown hanger in mud.

16 Q. Alright. And at any time -- I know you  
17 sought MMS's approval to do it that way, but  
18 before you sought approval did you ever  
19 conduct any lift calculations on the 9 and

20 7/8ths inch by 7 inch casing string in an

21 unlocked down condition?

22 A. No, ma'am. I didn't do that.

23 Q. Do you know of anyone else who did?

24 A. I don't know that, ma'am.

25 Q. You've never seen any?

1 A. No, I didn't see any.

2 Q. The negative test that was performed is  
3 it fair to say that the procedure that was  
4 used was certainly not used in the same  
5 sequence that was required by the MMS approved  
6 permit modification, right?

7 A. I think the -- to the best of my  
8 knowledge the negative test was conducted as  
9 per what was sent to the MMS.

10 Q. Didn't your permit modification require  
11 that the negative test be conducted first and  
12 then if successful, displacement to seawater  
13 occur?

14 A. No, ma'am. I believe that the permit  
15 said to displace with seawater and do the  
16 negative test.

17 MS. KIRBY:

18 May I approach?

19 CAPT NGUYEN:

20 Yes.

21 MS. KIRBY:

22 For the record this is

23 BP-HZN-MBI00021240.

24 BY MS. KIRBY:

25 Q. Mr. Guide, have you ever seen this MMS

1 form 124, which is an application for permit  
2 to modify? That indicates it was in an  
3 approved status.

4 A. Yes, ma'am. I've seen these before.

5 Q. And, if we turn to the last page of  
6 this document, we see the temporary  
7 abandonment procedure that the MMS approved,  
8 do we not?

9 A. Yes, ma'am.

10 Q. And under the temporary abandonment  
11 procedure on that last page item number-1 is  
12 "Negative test casing to seawater gradient  
13 equivalent for 30 minutes with kill line",  
14 right?

15 A. Yes, ma'am. It does.

16 Q. Number -- I'm sorry?

17 A. Yes, it does.

18 Q. And then the item number-3 is "Displace  
19 to seawater", is it not?

20           A. Yes, ma'am. The -- I believe how this  
21           is the number-1 here doesn't -- doesn't give  
22           any depth or anything like that. It's trip  
23           and hold with 3 and a half inch stinger at  
24           8367 feet, displaced to seawater and monitor  
25           the well for 30 minutes.

1 Q. The first item on the temporary  
2 abandonment procedure that was approved was  
3 the negative test, correct?

4 A. Yes, ma'am. But there's no depth or  
5 anything on there. It's just saying that if  
6 we're going to do a negative test on the  
7 casing with seawater for 30 minutes on the  
8 kill line and so -- and then it says that  
9 we're going to do this at 8367 feet.

10 Q. Are you telling me that this approved  
11 modification permitted you to displace to  
12 seawater while you were doing the negative  
13 test?

14 A. No, ma'am. You have to displace to  
15 seawater to do the negative test, ma'am.

16 Q. Alright. So you do not believe that  
17 the procedure that was actually followed by  
18 your folks as set forth in an -- I think it's  
19 an Ops note by Mr. Morel on April 20 was in

20 fact a deviation?

21 A. No, ma'am. If the negative test would  
22 have been done -- I am assuming -- well, if  
23 the negative test would have done any higher  
24 up in the well than 8367 then whenever we did  
25 displacement it would not be given an accurate

1 negative test.

2 Q. Let me ask you just a couple of  
3 questions to clear up confusion in my own  
4 mind. A negative test -- I thought you said  
5 there wasn't a standard negative test, is that  
6 true?

7 A. I'm sorry. If I said that I guess I'll  
8 have to clarify myself here.

9 Q. Okay. Does BP have a standard negative  
10 test?

11 A. The HORIZON did negative tests in a  
12 usual manner. I believe that some of the  
13 different operations depending on the wellhead  
14 configuration maybe did them slightly  
15 different. I'm really not aware.

16 Q. But we will actually finish faster if  
17 you just answer the question. Do you have a  
18 standard test, "You" BP, not the rigs, not,  
19 you know, everybody else? But does BP have a

20 standard negative test procedure that it gives

21 out to it's well site leaders and the folks on

22 the rig?

23 A. Not that I'm aware of.

24 Q. Alright. Now how does a well site

25 leader know how the negative test should be

1 performed?

2 A. He gets a procedure.

3 Q. And who does he get the procedure from?

4 A. The engineers.

5 Q. And the engineers -- whose engineers?

6 A. BP's.

7 Q. Alright. So are you telling us that

8 Mr. Kaluza or Mr. Vidrine actually receive

9 some form of procedure from the drilling

10 engineer somewhere that says "This is the

11 negative test"?

12 A. Yes, ma'am.

13 Q. Alright. As opposed to "This is the

14 sequence of the negative test"?

15 A. Yes, ma'am.

16 Q. Alright. So the rig doesn't actually

17 play a part in deciding how the negative test

18 should be performed, is that true?

19 A. Usually the rig is asked for their

20 preference on everything we do.

21 Q. So are you telling me that your well

22 site leaders get a BP standard test from the

23 drilling engineers and then they give them to

24 the rig drilling engineers and say "Is this

25 okay with you", is that what you're telling

1 me?

2 A. The way it works is we discuss what  
3 we're going to do. We make sure that the well  
4 site leaders and the people on the rig agree  
5 with what we're going to do and that's what we  
6 do. It's all a team effort.

7 Q. Okay. So basically it could be  
8 different on every single rig depending on  
9 what the team agreed to?

10 A. It can be different.

11 Q. Okay. And, when it gets different,  
12 does someone need to call you up and ask you  
13 if it's okay to be different on this rig from  
14 whatever the BP engineers suggested?

15 A. I was just watching the DEEPWATER  
16 HORIZON, ma'am.

17 Q. So are you telling me this is your  
18 first experience with a negative test being  
19 performed on a well?

20           A. No, ma'am. I guess I didn't understand

21           your question, I'm sorry.

22           Q. Well, you seem to be suggesting to me

23           that on a rig the test procedure that's

24           actually used is essentially one that is

25           agreed to by all parties concerned regardless

1 of whether it deviates from the BP drilling

2 engineer's test, isn't that what you told me?

3 A. No, ma'am.

4 Q. Okay. What did you tell me?

5 MR. STETLER:

6 That's an impossible question to

7 answer. I object. We've been over

8 this so many times.

9 MS. KIRBY:

10 I think I'm getting double speak,

11 Captain.

12 MR. STETLER:

13 What did you tell me? That's

14 supposed to be a serious question?

15 CAPT NGUYEN:

16 Mr. Guide, can you just describe

17 the process how a well team leader

18 receives their instructions to execute?

19 THE WITNESS:

20 Yes, I think I can clear --

21 CAPT NGUYEN:

22 Is that okay, ma'am?

23 MS. KIRBY:

24 Yes, please.

25 THE WITNESS:

1                   What we're going to do -- let's  
2           just us the negative test as an  
3           example. We're going to do the  
4           negative test so we talk about how  
5           we're going to do it. We make sure  
6           there's volume from the rig before the  
7           procedure's written, this way it  
8           doesn't have to be a bunch of going  
9           back and forth and getting a bunch of  
10          different revs and making mistakes. We  
11          get concurrence with the rig, we make  
12          sure it gets written down. In this  
13          particular case Brian wrote the Ops  
14          note before he left the rig, so we had  
15          concurrence from the rig. It satisfied  
16          the MMS regulations and we had  
17          concurrence from the office. It's that  
18          simple.

19        BY MS. KIRBY:

20 Q. It's your understanding then that there  
21 was no disagreement among anyone on the rig or  
22 anyone with Transocean and anyone with BP  
23 about how the test should be performed?

24 A. I wasn't on the rig, ma'am. I don't  
25 know.

1 Q. Would you assume that from the  
2 procedure you just described?

3 A. Yeah. I assume that -- that the rig  
4 was satisfied with the procedure.

5 Q. Alright. Just one question with  
6 respect to the decision to use six  
7 centralizers: Did you at any time see any form  
8 of simulation that indicated that there would  
9 be no problem with using just six  
10 centralizers?

11 A. I -- I didn't ma'am, but I don't even  
12 know how many -- how many simulations they  
13 ran. And, like I said before, I didn't have a  
14 lot of faith in the simulation to begin with.  
15 So --

16 Q. Is there any other way to decide how to  
17 use centralizers other than a simulation?

18 A. Yes. The way that I used to do it was  
19 you look at the caliper log, see exactly where

20       you need to have good centralization. In this  
21       particular case it was actually fairly simple  
22       because the zone of interest is right at the  
23       bottom of the well. So six centralizers would  
24       be more than adequate in my opinion especially  
25       where they were spaced, which by the way the

1 spacing of the centralizers is wrong in the  
2 report. They're at different depths than  
3 what's in the report. But --

4 Q. Do you consider -- I'm sorry.

5 A. That's all. I was just telling you  
6 you've got to look at the caliper log, look at  
7 what exactly is the application, if you have  
8 to get cement 1,000 feet up or you have to get  
9 cement 500 feet up. You have to look at that  
10 particular application at the time.

11 Q. Alright. And do you consider yourself  
12 an expert in determining these kinds of  
13 issues: How many centralizers will ensure that  
14 we don't have channeling in the cement and a  
15 successful cement job?

16 A. I consider myself an expert in nothing,  
17 however I have been a part of hundreds of  
18 cement jobs that I have personally located the  
19 centralizers in the -- in the string and they

20 were very successful cement jobs.

21 Q. One last question: I think that Captain  
22 Nguyen asked you a question that I need some  
23 clarification on your response. I believe the  
24 question was: So, it's the case that third  
25 parties, contractors, partners might provide

1 input into well operations, but BP has the  
2 last decision? Do you remember that question?

3 And you said "Yes"?

4 A. Yes, ma'am.

5 Q. Okay. You were not suggesting, were  
6 you, that either Anadarko or MOEX Offshore has  
7 ever provided any input into these well  
8 operations?

9 A. I was not suggesting that, right.

10 Q. Alright. And you don't know that to be  
11 the case, do you?

12 A. Correct.

13 MS. KIRBY:

14 I have no further questions.

15 CAPT NGUYEN:

16 Thank you, ma'am. Why don't we  
17 take about a ten minute break?

18 (Whereupon, a short break was taken off the  
19 record.)

20 CAPT NGUYEN:

21 Mr. Guide, you are reminded that

22 you are still under oath, sir.

23 THE WITNESS:

24 Yes, sir.

25 CAPT NGUYEN:

1           Cameron?

2           MR. JONES:

3           We have no questions, Captain.

4           CAPT NGUYEN:

5           Thank you, sir. Halliburton?

6           MR. GODWIN:

7           Yes, Captain.

8           CAPT NGUYEN:

9           Thank you.

10          MR. GODWIN:

11          May I proceed, Captain?

12          CAPT NGUYEN:

13          Yes, please.

14          MR. GODWIN:

15          Thank you, Captain.

16          E X A M I N A T I O N

17          BY MR. GODWIN:

18          Q. Good afternoon, Mr. Guide.

19          A. Afternoon.

20 Q. How are you, sir?

21 A. Okay.

22 Q. My name is Don Godwin and I represent

23 Halliburton. We have never had the occasion

24 to talk by phone or in person, have we, sir?

25 A. No, sir.

1 Q. Thank you very much. Sir, you  
2 mentioned a Mr. -- we talked about Mr. Greg  
3 Walz. Walz or "Walz"?

4 A. Yes, sir.

5 Q. Okay. I believe you said his title or  
6 position is drilling engineer team leader?

7 A. Yes, sir.

8 Q. Sir, in the company at BP is that  
9 position equal to your's below it or above it?

10 A. I would consider it equal.

11 Q. Okay, sir. You're on the level about  
12 the same. Okay, sir. You don't report to  
13 him?

14 A. No, sir. I don't.

15 Q. And he does not report to you?

16 A. Yeah, right. He does not report to me.

17 Q. Okay. Did you say you report to Mr.  
18 David Sims?

19 A. Yes, sir. He's my boss.

20 Q. Okay, sir. And, Mr. Sims, what is his

21 title within BP?

22 A. Well Ops manager for E and A.

23 Q. Okay, sir. Does he hold any title

24 assistant vice president or anything like

25 that?

1           A. No, sir.

2           Q. In addition to the title that you just  
3 gave us?

4           A. No, just that title.

5           Q. Thank you very much. Sir, let me --  
6 let me start by asking you a few questions and  
7 then we'll go back and we'll go through some  
8 of your testimony that you gave here today,  
9 some of which I did agree with and some that I  
10 did not agree with and I need clarifying on  
11 some. Okay. What I'm going to ask you, sir,  
12 is during my examination if I ask you a  
13 question that you don't understand I want you  
14 to ask me to repeat it or break it down  
15 because it's very important that you  
16 understand my questions because you're  
17 testifying here today under oath and that you  
18 give complete answers, okay?

19          A. Yes, sir.

20 Q. Thank you very much. I believe you

21 said that you knew that there were six

22 centralizers used on this well, correct?

23 A. Yes, sir.

24 Q. Okay. And what kind of centralizers

25 were those that were used?

1           A. They were centralizer subs that were  
2 already made up onto the casing.

3           Q. Okay. Is another way of saying that  
4 were they sometimes referred to as end line  
5 centralizers?

6           A. I guess they could be, yes.

7           Q. Okay, sir. And they're also what's  
8 referred to as bow spring centralizers, you're  
9 familiar with those, aren't you?

10          A. Yes, sir. I am.

11          Q. Okay, sir. And those are different,  
12 are they not, then the subs, are they not?

13          A. Yes, sir. They're different.

14          Q. Thank you, sir. And, the 15  
15 centralizers that Weatherford set out, were  
16 those end lines or were those bow springs?

17          A. They were bow springs.

18          Q. Okay, sir. And, just to clarify, those  
19 15 that were set out they were specified by

20 BP, were they not? BP ordered the

21 centralizers?

22 A. Yes, BP ordered the centralizers.

23 Q. And they told Weatherford what they

24 wanted to have sent to the rig, correct?

25 A. I didn't make the order, but I assume

1 so, sir, yes.

2 Q. Okay, sir. You weren't attempting to  
3 suggest that Halliburton ordered the  
4 centralizers, were you?

5 A. No, Halliburton did not order the  
6 centralizers.

7 Q. Thank you, sir. Now, did -- with  
8 regard to not using the 21 centralizers, my  
9 understanding is that you knew at some point  
10 that six were going to be used and you thought  
11 that was sufficient after what you called a  
12 team discussion, correct?

13 A. Yes.

14 Q. And my understanding is that you did  
15 not learn from any source until after the  
16 incident in question that 21 had been  
17 recommended by Halliburton, is that correct?

18 A. To clarify: I don't know if 21 was  
19 recommended by Halliburton or Halliburton ran

20 a simulation that included 21.

21 Q. Okay, sir. Well, are you -- do I

22 understand that you did read the April 15

23 report? You read that at some time, correct?

24 A. Yes, sir. I did.

25 Q. Do you remember reading in the report

1       that that was the recommended way that  
2       Halliburton in the report was recommending  
3       that 21 centralizers be used in that report on  
4       April 15?

5       A. I don't recall it saying Halliburton  
6       recommends 21 centralizers.

7       Q. Okay, sir.

8       A. It -- I believe the program was run  
9       with 21 centralizers in it.

10      Q. Okay, sir. And you did read that  
11      report, the page which is here on the easel?  
12      This is one page out of the report.

13      A. I did not read that page, sir.

14      Q. You did not read this page where it  
15      refers to the minor gas flow problem? You did  
16      not read that report -- that page of the  
17      report at any time before the incident, did  
18      you?

19      A. That's correct, sir. I did not read

20 that page.

21 Q. But you are not denying that you

22 received the report before the incident, are

23 you, sir?

24 A. No, I did receive it before the

25 incident.

1 Q. Thank you, sir.

2 Q. And who was it that made the final  
3 decision not to use 21 centralizers on this  
4 well?

5 A. It was a decision in concurrence by  
6 myself, Greg Walz and my boss David Sims.

7 Q. And Dave Sims?

8 A. Yes, sir.

9 Q. Okay. Mr. David Sims, what is his --  
10 what's his educational background?

11 A. All I know is he has an engineering  
12 degree from Texas A&M.

13 Q. Okay.

14 A. I don't know if there's any other -- if  
15 he has any other degrees. I know he's a  
16 professional engineer, a registered  
17 professional engineer.

18 Q. Okay. So he's an engineer as well and  
19 Mr. Walz, he's also an engineer. We know

20 that, don't we?

21 A. Yes, sir.

22 Q. Brian Cocalles, what's his -- what's his

23 training if you know?

24 A. Brett Cocalles?

25 Q. Brett Cocalles, excuse me.

1 A. He also is an engineer.

2 Q. And Brian Morel?

3 A. Yes, sir. Engineer.

4 Q. And do Mr. Cocalles and Mr. Morel do

5 they report direct to Mr. Walz?

6 A. Yes, sir.

7 Q. Okay, thank you. So then it was a

8 group decision within BP that made the

9 decision to use the six, correct?

10 A. It was a decision by Greg, who is the

11 team leader, myself and Mr. Sims.

12 Q. Okay. Were you involved in the

13 decision not to use 21 centralizers?

14 A. To go back to the original six?

15 Q. Yes, sir. Were you involved in -- we

16 know that you were involved in the decision to

17 use six. My question is: Were you involved in

18 the decision not to use 21?

19 A. Yes, sir. I was.

20 Q. And, again, those folks that made the  
21 decision not to use 21, will you give us their  
22 names?

23 A. That was Greg Walz and the concurrence  
24 of my boss, David Sims.

25 Q. Okay, sir. Now let me -- let me ask

1       you: The report that a page of which is over  
2       here to the left (indicating) that shows  
3       severe gas flow -- a severe gas flow problem.  
4       Did I understand you correctly to say that you  
5       got that on the evening of April 18?

6           A. I looked at it on the morning of the  
7       19th, but the e-mail was actually sent to my  
8       inbox at 9:00 on the 18th, 9:00 p.m.

9           Q. Okay, sir. That was sent by whom to  
10      your inbox?

11          A. Jessie.

12          Q. Okay, sir. And that's Jessie Gagliano?

13          A. Yes, sir.

14          Q. Okay. And it was actually sent at 8:58  
15      on Sunday evening, was it not?

16          A. Yes, sir.

17          Q. I believe you said you read it the next  
18      day or read the e-mail, but not the report  
19      itself.

20 A. That is correct.

21 Q. Okay. And there was a question about

22 whether or not you had forwarded this report

23 onto others and I'm referring to the e-mail

24 that accompanied the report. And it in fact

25 shows where Jessie sent it to Anthony Cupid

1 (phonetic), Brett Cocales an engineer, Chris  
2 Haire, an employee of Halliburton, Danny  
3 Mooney. Don Vidrine received it on the evening  
4 of April 18. Ora Lee (phonetic), John Guide,  
5 Ronald Sepulvado received it on the 18th, as  
6 well. Brian Morel, Mark Hafle and Greg Walz.  
7 All those folks received it on the same e-  
8 mail. And, if you would like for me to show  
9 you the e-mail, I'll be happy to do so.

10 A. You don't need to, sir.

11 Q. Okay, sir. It all was sent to them the  
12 same time it was sent to you, was it not?

13 A. Yes, 9:00 in the evening.

14 Q. Okay, sir. And so the folks there on  
15 the rig with BP they had the e-mail that was  
16 sent out on April 18, which showed the effect  
17 of using seven centralizers, did they not?

18 A. Yes, sir. They had the e-mail.

19 MS. KARIS:

20                   Objection. Just for completeness  
21                   and clarity, to make clear, this e-mail  
22                   was also sent to a number of other  
23                   individuals, including Halliburton  
24                   personnel that were not mentioned.  
25                   Just to avoid any --

1 MR. GODWIN:

2 I'll be happy to read this. Paul  
3 Anderson, who is the foam cement leader  
4 there on the well. Nathaniel Chaisson  
5 and Quan Nguyen (phonetic) I believe it  
6 is. Those people also received it, but  
7 what I focusing on --

8 CAPT NGUYEN:

9 I understand your point.

10 MR. GODWIN:

11 -- the people with BP. Thank you,  
12 Captain.

13 BY MR. GODWIN:

14 Q. So, when you say that you didn't read  
15 it that evening, do you have a home PC?

16 A. No, I have my -- I take my laptop home  
17 on the weekend.

18 Q. Okay. But for some reason you didn't  
19 read the e-mail that evening, the entirety of

20 it?

21 A. I was in bed at 9:00, sir.

22 Q. Okay, sir. Well, now the next day when

23 you say you received the e-mail you read the

24 e-mail, but you didn't need to read the

25 report. Tell me again why you did not read

1 the report.

2 A. The casing was already run.

3 Q. Okay, sir. So that was the sole reason  
4 for not reading it was because the casing was  
5 already run, is that what you're telling this  
6 panel?

7 MR. STETLER:

8 I'm going to object.

9 Mischaracterization.

10 MR. GODWIN:

11 I'm just asking him if that's what  
12 he's --

13 MR. STETLER:

14 No. If I may state my objection.

15 MR. GODWIN:

16 Yes, sir. Go ahead.

17 MR. STETLER:

18 I'm going to object because it  
19 mischaracterizes several previous

20 times when he gave the many reasons.

21 And he didn't tell the panel it was the

22 sole reason. He was very explicit in

23 what the reasons were.

24 MR. GODWIN:

25 Okay, sir.

1 BY MR. GODWIN:

2 Q. Sir, on the morning of the 19th of  
3 April what was the reason or reasons that you  
4 did not read the e-mail -- the report that  
5 accompanied the e-mail?

6 A. There was more than one report.

7 Q. Yes, sir.

8 A. I read the report that had the  
9 procedure of actually mixing and pumping the  
10 cement and also the cement volumes, the  
11 additives and then the pump time. The  
12 compressor strength wasn't done yet. And I  
13 didn't open -- there were two other  
14 attachments and this was one of them and I  
15 didn't open that one mainly because, as I  
16 stated before, it was the simulation that in  
17 my personal opinion I knew was right and wrong  
18 and I saw no use in opening a simulation when  
19 we were getting ready to do the real job.

20           Q. Well, you know sir that the simulation  
21           or model issue, "Simulation" as you call it,  
22           the model that Halliburton, that Jessie  
23           Gagliano prepared, you know that's based on  
24           information that is provided by BP, don't you?

25           A. Yes, sir.

1 Q. And some of that information -- in  
2 other words Halliburton prepares the model or  
3 the report based on information it gets from  
4 BP and then Halliburton makes it's  
5 recommendations as to what it thinks should be  
6 done. Is that your understanding of the  
7 report?

8 A. Yes.

9 Q. Okay, thank you. Now some of the data  
10 that would go into the OptiCem, if you will,  
11 to the report that BP would provide. Would  
12 you agree with me that that would include,  
13 among other things, well depth?

14 A. Do you want me to go --

15 Q. Would you agree with me that the type  
16 of data that BP would provide to Halliburton  
17 for it's purpose in preparing the report would  
18 include well depth?

19 A. Yes, sir.

20 Q. Well configuration?

21 A. Yes, sir.

22 Q. Fracture gradient?

23 A. Yes, sir.

24 Q. Desired height of cement?

25 A. Yes, sir.

1 Q. Mud weight and type?

2 A. Yes, sir.

3 Q. Hole size?

4 A. Yes, sir.

5 Q. And location of zones of interest?

6 A. Yes, sir.

7 Q. And Halliburton would not know those

8 things to put in the report without receiving

9 them from BP, would they, in terms of this

10 specific well?

11 A. Yes, that's correct.

12 Q. Thank you, sir. Now the other things

13 in addition to those that I read off that you

14 believe that with regard to the Macondo well

15 were provided by BP to Halliburton for

16 purposes of preparing the report and it may be

17 too numerous to add here. But are there other

18 things, other facts, other data that BP would

19 have provided to Halliburton for purposes of

20 preparing the reports that were prepared that

21 you called the simulations?

22 A. Yes, sir.

23 Q. Thank you. Now you said that the

24 simulations in your opinion while they were

25 sometimes right, they were sometimes wrong.

1 And -- so, because of that, you didn't always

2 rely upon them, correct?

3 A. That is correct.

4 Q. My understanding is you said that these

5 reports come into BP as a part of the service

6 that Halliburton provides to BP, correct?

7 A. Yes, sir.

8 Q. Okay. Well, obviously with regard to

9 the 21 centralizers that was in the report

10 here dated April 15th that you read, have you

11 formed an opinion that had those 21

12 centralizers been used there would not have

13 been a blow out? Sir?

14 A. I can't answer that question.

15 Q. You're not denying it though, are you,

16 sir?

17 A. I don't know the causes.

18 Q. Well, we know that there were only six

19 centralizers, subs in that well when it blew

20 out on the evening of the 20th, correct?

21 A. Yes, sir.

22 Q. And there was a report, simulation,

23 whatever you want to call it, that was sent

24 out to the people on the well with BP that was

25 sent to you on the evening of the 18th that

1       showed that if there was going to be six or  
2       seven centralizers used it would result in a  
3       severe gas flow problem, would it not? That's  
4       what it says, doesn't it?

5       A. Potential severe gas flow. We also  
6       know that the model that was sent on the 18th  
7       is wrong.

8       Q. Well, sir, in terms of the number of  
9       centralizers we know when we're dealing just  
10      with that. We know that there was a report on  
11      the 15th, which you said you read parts of that  
12      showed that there would be a minor gas flow  
13      problem if 21 were used, correct?

14      A. What we know is --

15      Q. Is that correct, sir, what I just  
16      asked? That on the 15th there was a report  
17      that was prepared that you call a simulation  
18      that provided for the use of 21 centralizers  
19      and that report was not adopted by BP, was it?

20 A. It was not.

21 Q. Thank you, sir. Mr. Mathews asked you

22 a question you didn't answer. He asked you:

23 How many times BP had gone against

24 Halliburton's recommendations concerning

25 cementing? And can you now tell us the answer

1 to that question? 'Cause you gave him an  
2 answer that was not responsive to his  
3 question.

4 MR. STETLER:

5 I don't object, Counsel, if you  
6 ask the question. But the speech about  
7 what he did or didn't answer and so  
8 forth is completely unfair. It's just  
9 said for effect. I would ask you that  
10 if you have a question ask him the  
11 question and he'll be happy to answer  
12 it.

13 MR. GODWIN:

14 Thank you for your objection,  
15 Counsel.

16 BY MR. GODWIN:

17 Q. Sir, can you tell us the number of  
18 times that you have personal knowledge of that  
19 BP did not follow the recommendations of

20 Halliburton in connection with the cementing

21 of any of it's jobs, if any?

22 A. I don't know of any.

23 Q. Thank you, sir. And you're aware, sir,

24 are you not that on every cementing job that

25 Halliburton has performed for BP these types

1 of models that you call simulations have been  
2 provided by Halliburton to BP, have they not?

3 A. I'm not sure about the other  
4 operations. I usually see them all on the  
5 HORIZON wells, yes.

6 Q. Thank you, sir. You said that safety  
7 was the first topic that was discussed in  
8 every 7:30 morning -- 7:30 a.m. meeting each  
9 day that you participated in, correct?

10 A. Yes, sir.

11 Q. And I believe you said that it was Mr.  
12 Coteles and perhaps Mr. Hafle that would  
13 conduct these meetings at 7:30 with you  
14 participating?

15 A. Or Mr. Morel.

16 Q. Or Mr. Morel. One of those three  
17 gentlemen or all three, would that be a fair  
18 statement?

19 A. Yes, sir.

20 Q. Okay, sir. Thank you. Now on the  
21 morning of the 13th of April did the subject of  
22 centralizers come up for discussion in the  
23 safety part of the morning meeting?

24 A. I don't remember.

25 Q. Okay, sir. How about on the morning of

1 the 14th, the 15th, the 16th, 17th, 18th or 19th in  
2 the safety part of the meeting did the subject  
3 of the number of centralizers to be used in  
4 the well come up in the safety part of the  
5 meeting?

6 A. Not to my knowledge.

7 Q. Thank you, sir. Sir, did anyone tell  
8 you after my client completed the cement job  
9 on the evening of April 19 or in the very  
10 early part of the morning of April 20 that --  
11 did anybody with BP tell you there had been  
12 any problems whatsoever with the cement job?

13 A. I was unaware of any problems with the  
14 cement job.

15 Q. Sir, and I believe that you said that  
16 Mr. Brian Morel was actually there on location  
17 on the rig during the cement job?

18 A. Yes, he was there.

19 Q. Did you send him out there?

20 A. No, sir.

21 Q. Who did?

22 A. It would have -- I believe that he went

23 on his own, but he would have gotten the

24 approval from his boss, Greg Walz.

25 Q. Okay, sir. And at any time prior to

1 the incident at about almost 10:00 at night on  
2 the evening of the 20th did Brian Morel report  
3 back to you or anyone at BP to your knowledge  
4 that he had observed any problems or issues  
5 whatsoever with my client's cement job?

6 A. Not that I'm aware of, sir.

7 Q. Did Brian Morel say to you at any time  
8 or anybody else to BP to your knowledge that  
9 there was any concern that he had with the use  
10 of nitrogen in the cement?

11 A. No, sir.

12 Q. Now my understanding was that you said  
13 that the wrong centralizers had been sent to  
14 the well by Weatherford, was that your  
15 testimony?

16 A. Yes, sir.

17 Q. Okay, sir. And what day were the  
18 centralizers actually sent to the well?

19 A. I believe they got there on April 16th.

20           Q. On the 16th. Now, we know that on the  
21           15th at about 6:30 at night and I'll show you  
22           the e-mail here in a moment, BP received the  
23           e-mail and the report from Jessie Gagliano  
24           showing that if 21 centralizers were used that  
25           there would be a moderate gas flow problem.

1 We know that, don't we, sir?

2 A. That's what the report says, sir. Yes.

3 Q. So then on the 16th somebody with BP  
4 ordered an additional 15 centralizers. Was  
5 that somebody Brett Cocalles?

6 A. I'm not sure if it was either Brett or  
7 Greg, but it was one of the two, sir.

8 Q. One of the two ordered them out there  
9 and they arrived and when did you first learn  
10 that the ones that were sent by Weatherford  
11 that had been speced by BP were the wrong  
12 centralizers?

13 A. I found that out close to the afternoon  
14 hour on the 16th.

15 Q. Okay, sir. On the 16th?

16 A. Yes, sir.

17 Q. Okay, sir. And then if you, "You"  
18 being BP, had already decided that six were  
19 going to be used and enough, not withstanding

20 the simulation model with 21, why was BP

21 specing and ordering an additional 15 to be

22 sent out the day after the April 15 report, if

23 you know?

24 A. I don't know, sir.

25 Q. But we do know that BP did have an

1 additional 15 brought out. And when did you  
2 learn that they were the wrong ones, sir?

3 A. On the 16th.

4 Q. Okay, sir. And the cement job was not  
5 to take place for almost three more days,  
6 correct? On the 19th I believe it was that  
7 evening.

8 A. Well, you would start running the  
9 casing before then.

10 Q. Okay, sir. I understand. And when was  
11 the casing completed, the installation?

12 A. The casing was finished being run on --  
13 by the afternoon of the 19th.

14 Q. Okay, sir. Now, did anyone discuss  
15 with you when someone said "These centralizers  
16 are not the right ones", did anyone bring to  
17 your attention that perhaps it might be safer  
18 to delay the completion of the installation of  
19 the casing in order to get the right

20 centralizers out there and do the job with 21,  
21 which Halliburton recommended, and obviously  
22 either Mr. Hafle or Mr. Cocalis agreed with  
23 because they ordered the additional ones? Did  
24 anyone mention that to you, sir?

25 MR. STETLER:

1 I'm sorry. I'm going to object if  
2 we can't break it down into parts.

3 MR. GODWIN:

4 I'll be happy to. I apologize.

5 MR. STETLER:

6 That's alright.

7 BY MR. GODWIN:

8 Q. Sir, I think we've established that  
9 Halliburton on the 15th had put in your model  
10 you call simulation -- there ought to be 21,  
11 correct? That's number-1?

12 A. They ran a model with 21.

13 Q. Right. And number-2 we know that  
14 either Mr. Hafle or Mr. Cocalles either on the  
15 15th or the 16th they ordered out additional  
16 centralizers, which you say were speced and  
17 ordered from Weatherford and BP speced them  
18 and they got out there on the 16th , do you  
19 agree with me so far?

20 A. Yes, sir.

21 Q. And then on the afternoon of the 16th  
22 you learned that -- from some source that they  
23 were not the right ones, correct?

24 A. That is correct.

25 Q. The casing had not been completely run

1 at the time when you learned that the  
2 centralizers were not the right ones, correct?

3 A. That is correct.

4 Q. Did anyone say to you that they thought  
5 before the casing was completed that they  
6 ought to take a few hours longer, a day  
7 longer, whatever it took, to get the right  
8 centralizers out there so that the job could  
9 be run as obviously Mr. Cocalles and Mr. Hafle  
10 intended was to have 21 centralizers? Did  
11 anyone say that to you?

12 A. No.

13 Q. Thank you. Now, before I go to another  
14 subject, I just want to ask you one brief  
15 question about the cement bond log. I believe  
16 you said the decision was made not to run it  
17 because the cement job had been performed as  
18 expected, full returns had come back? Didn't  
19 think there was a need for a bond log?

20 A. Yes, sir. That's correct. Plus other

21 indicators.

22 Q. Okay, sir. And I believe you said that

23 that decision was another one that was a group

24 decision?

25 A. It was previously outlined in a

1 decision tree.

2 Q. Okay, sir. So the decision was made  
3 solely by employees of BP not to run a CBL,  
4 was it not?

5 A. Yes, sir. That's correct.

6 Q. Thank you, sir. You said that the  
7 Schlumberger gentleman that was out there on  
8 the well it was planned that he would be there  
9 and, if need be, would run it, but some time  
10 it was decided -- I believe you said at the  
11 7:30 meeting that morning that he was asked to  
12 leave, that there was going to be no need for  
13 him to be there, correct?

14 A. Yeah, after we discussed the results  
15 that we saw in the cement job, we stuck with  
16 the decision tree.

17 Q. And that was on the morning of the  
18 20th?

19 A. Yes, sir.

20           Q. Okay. Isn't it a fact that when you  
21           talk about that these decisions were not being  
22           made based on savings there was a substantial  
23           savings in money by not running the cement  
24           bond log, was there it?

25           A. That's correct. You would save money

1 by not running the bond log.

2 Q. In other words: To run the bond log it  
3 would have cost BP about \$128,000, would it  
4 not?

5 A. I don't know what the exact cost would  
6 have been, sir.

7 Q. Whereas to not run the bond log costs  
8 Halliburton -- excuse me, BP about \$10,000.  
9 You know that, don't you, sir?

10 A. I don't know what the drop dead charges  
11 were, sir.

12 Q. Okay, sir. And, sir, isn't it a fact  
13 that the gentleman from Schlumberger was  
14 actually added to the manifest to be  
15 transported back to the mainland at about 5:00  
16 a.m. on the 20th? Someone put him on that  
17 manifest about two and a half hours before the  
18 meeting where you said it was decided he would  
19 not be used, isn't that true, sir?

20           A. I don't know when the manifest was made

21           out, sir.

22           Q. Well, would it surprise you if you

23           learned that while you said the decision was

24           made on the 20th at 7:30 in the morning in the

25           meeting, in fact it had already been planned

1       that that Schlumberger gentleman was going to  
2       be leaving that morning at about 5:00 in the  
3       morning, would that surprise you to learn  
4       that?

5       A. All I know is it's easier to take  
6       people off of manifests than put them on.

7       Q. Thank you, sir. So what you're telling  
8       the panel is you're not denying that a  
9       decision had already been made for the  
10      Schlumberger employee to leave before the 7:30  
11      a.m. meeting? You're not denying that, are  
12      you?

13      A. They did not -- the rig did not have  
14      the approval not to run the bond log until  
15      after the meeting.

16      Q. Thank you, sir. I have here some  
17      exhibits that are part of this record, Coast  
18      Guard exhibits. The ones we got -- I think it  
19      was the day that we were going to start. And

20 I'm going to read to you -- they have not been  
21 covered before, some of the e-mails that went  
22 back and forth that are in the record here.  
23 That's between some BP employees. And, if you  
24 would like, I can read them over there, I can  
25 read it to you and ask you if you know

1 anything about them.

2 MR. STETLER:

3 Counsel, may I just ask: Are these  
4 going to be e-mails he's on or that's  
5 he's familiar with?

6 MR. GODWIN:

7 Things that maybe he's heard about.  
8 Some he's on and some he's not and I'm  
9 going to ask him if he knows anything  
10 about them.

11 MR. STETLER:

12 Well, I tell you what, we'll take  
13 your word about you reading it  
14 accurately. I have no doubt about  
15 that.

16 MR. GODWIN:

17 I will, Counsel.

18 MR. STETLER:

19 And I won't promise I won't squawk

20                   when you get there.

21                   MR. GODWIN:

22                   I understand. I appreciate that

23                   very much, thank you.

24                   BY MR. GODWIN:

25                   Q. Sir, do you know Mr. Richard Miller at

1 BP?

2 A. No, I don't know him personally.

3 Q. Okay, sir. You know Mark Hafle, don't  
4 you?

5 A. Yes, sir.

6 Q. Okay, sir. Are you aware of Brian  
7 Morel on April 14 telling Richard Miller and  
8 Mark Hafle, engineers at BP, that "Rich,  
9 there's a chance we could run a production  
10 liner on the Macondo instead of the planned  
11 long string." Are you aware of Mr. Morel  
12 having said that as of April 14, 2010?

13 A. I know there was -- there was -- no,  
14 I'm not aware of that e-mail.

15 Q. Are you telling us that you were aware  
16 that -- are you were aware that there were  
17 continued discussions at BP as of the 14th that  
18 there could be a liner run as opposed to a  
19 long string?

20 A. Yes, sir. I knew that.

21 Q. Okay. And are you aware of Mr. Miller

22 having told Mr. Morel in response to his e-

23 mail on April 14 "We have flipped design

24 parameters around to the point I got nervous."

25 Are you aware of Mr. Miller having told Mr.

1 Morel that and Mr. Hafle?

2 A. No, sir.

3 Q. In other words: Mr. Morel and Mr. Hafle  
4 never brought this to your attention?

5 A. No, sir.

6 Q. Are you aware that on April 14 Mr.  
7 Hafle wrote to Mr. Miller and said "Thanks,  
8 Rich. This has been a crazy well for sure"?  
9 Are you aware of that having been said on  
10 April 14 by Mark Hafle to anyone?

11 A. No, sir.

12 Q. Has anyone prior to my just saying it  
13 to you, other than -- I'm not asking about  
14 anything your Counsel's talked to you about  
15 obviously, but has anybody with BP told you  
16 prior to my saying it now that Mark Hafle at  
17 BP thought that this Macondo well was "A crazy  
18 well for sure"?

19 A. No, sir.

20 Q. Thank you, sir.

21 MR. GODWIN:

22 And that, for purposes of the

23 record, Captain, was BP-HZN-CEC021857.

24 And these were -- the documents were

25 identified as being in the record by

1           the panel.

2           BY MR. GODWIN:

3           Q. Sir, I'm also going to read to you or  
4           ask you some questions about a couple of other  
5           e-mails and see if you know anything about the  
6           content of them. And I understand Counsel's  
7           question is "Were you included?" Some he was  
8           and some he was not, as we'll go through them.

9           MR. STETLER:

10           And, Captain, I'm going to object  
11           to asking this witness about e-mails he  
12           knows nothing about. If they're in the  
13           record Counsel can read them whenever  
14           it's convenient, but if he could do it  
15           at a time when my client here isn't  
16           here on the stand when he doesn't need  
17           to be. The last two there was no hint  
18           or suggestion he would have known  
19           anything about them. They were read

20 for effect and I don't blame Counsel  
21 for it, but I just don't think we need  
22 to waste the time with the witness in  
23 doing this if these are things he  
24 doesn't know anything about.  
25 CAPT NGUYEN:

1                   I don't think that's what Mr.  
2                   Godwin is trying to do to confirm the  
3                   accuracy of the e-mail. He tried to  
4                   confirm whether Mr. Guide is aware of  
5                   this information and he's just  
6                   referencing the e-mail. So, you're not  
7                   testify to the accuracy of the e-mail,  
8                   that's what I'm trying to tell you, Mr.  
9                   Guide. Try to confirm whether you're  
10                  aware of the information that Mr.  
11                  Godwin is trying to get you to confirm.

12                  MR. GODWIN:

13                  If he learned about it after it was  
14                  written, somebody told him about the  
15                  contents.

16                  CAPT NGUYEN:

17                  So the e-mail itself is irrelevant.  
18                  It's the content of it.

19                  BY MR. GODWIN:

20 Q. Sir, I'm going to refer to BP-HZN-  
21 CEC022671. Are you aware of Brian Morel  
22 telling Brian Coteles (SIC) on April 16 that  
23 he did not understand Jessie Gagliano's  
24 centralizer requirements? Are you aware of  
25 that being said?

1 A. No, sir.

2 Q. Okay. At any time nobody's told you  
3 that?

4 A. No, sir.

5 Q. Are you aware that on April 16 Mr.  
6 Cocales writes back and says to Mr. Morel with  
7 no copy to anybody, but he references you. He  
8 says "Even if the hole is perfectly straight,  
9 a straight piece of pipe even in tension will  
10 not seek the perfect center of the hole unless  
11 it has something to centralize it. But who  
12 cares? It's done. End of story. We'll  
13 probably be fined and we'll get a good cement  
14 job. I would rather have to squeeze than get  
15 stuck above the wellhead so Guide", talking  
16 about you, capital-G, "Is right on the risk  
17 reward equation." Had you heard Brian Cocales  
18 (SIC) say this before I just read it to you?

19 A. Just one question, his name is Brett

20 Cocales.

21 Q. Brett, Brett. I'm sorry. It says --

22 Brian Morel, you're right. It's Brett

23 Cocales.

24 A. Yes.

25 Q. I apologize.

1           A. I did hear about that e-mail, yes.

2           Q. Okay, sir. And when you heard about  
3 the e-mail and Brett Cocalles saying "End of  
4 story. We will probably be fined and we'll get  
5 a good cement job." Would it surprise you  
6 that an engineer working with something as  
7 serious as this well that had been described  
8 by others as "A well from hell", did it  
9 surprise you that he would be saying something  
10 so cavalier about this well?

11          A. You'll have to ask him, sir.

12          Q. Well, when you heard about it, did you  
13 talk to him or his boss about it?

14          A. No, sir. I didn't.

15          Q. Well, when it says in here "Guide is  
16 right on the risk reward equation", do you  
17 know what he's talking about "Risk reward"?

18          A. Yes, sir. I do.

19          Q. Will you tell us?

20           A. He's basing it on the fact that -- or  
21           facts that we had a problem with centralizers,  
22           slip on bow spring centralizers, on the  
23           Atlantis Well, which they did stick the  
24           casing, pulled the casing back out and left  
25           the centralizers in the hole. The six

1 centralizers that were designed for this well  
2 were more than adequate to cover the cement --  
3 I'm sorry, the pay zone because it was right  
4 at the bottom of the hole. So his concurrence  
5 was that the risk of using the wrong  
6 centralizers outweighed the risk of adding  
7 additional centralizers.

8 Q. Well, let's see what Mr. Morel says  
9 about that on April the 15th. And -- when he  
10 wrote to Jessie Gagliano, Greg Walz, Brett  
11 Cocales and Mark Hafle on April 15 at 4:00 in  
12 the afternoon when he says "We have six  
13 centralizers. We can run them in a row or any  
14 combination of the two. It's a vertical hole,  
15 so hopefully -- hopefully the pipes stay  
16 centralized due to gravity. As far as changes  
17 it's too late to get any more product to the  
18 rig. Our only option is to rearrange  
19 placement of these centralizers. Please see

20 attached diagram for my recommendation."

21 Coming from Brian Morel with BP. Had you

22 heard about that before I just read it?

23 A. I knew that we were going to rearrange

24 the position of the centralizers based on the

25 caliper log.

1 Q. Well, had you -- did anybody provide  
2 you with -- other than your lawyer perhaps and  
3 I'm not asking you about that, but prior to  
4 the incident did anybody provide you with a  
5 copy of this e-mail where he says "Hopefully  
6 the pipe stays centralized due to gravity."  
7 Did you see the e-mail before the incident,  
8 sir?

9 A. No, sir.

10 Q. And when he says "It's too late to get  
11 any more product to the rig", what we now know  
12 is that that statement was incorrect, don't  
13 we? Because on the day after this e-mail on  
14 the 15th 15 centralizers were ordered and  
15 shipped out there at BP's request, were they  
16 not, on the 16th of April?

17 A. There were centralizers shipped on the  
18 16th of April.

19 Q. So, when he says "It's too late to get

20 more out to the rig. Our only option is to  
21 rearrange these", the truth of the matter is  
22 after the centralizers are sent to the rig  
23 there obviously was the option of using them  
24 had BP decided to do so, was there not?  
25 A. There was an option to use them.

1 Q. If BP chose to do so?

2 A. That's correct.

3 Q. So, whenever Mr. Morel says "We've only  
4 got six. No more can be gotten out there  
5 before the cement job. We don't have any  
6 other option", that's an incorrect statement  
7 as we know it now, is it not? Isn't it, sir?

8 A. Yes, sir.

9 Q. And it was incorrect on the 16th of  
10 April as well, was it not?

11 A. Which one was that, sir?

12 Q. That there was no option about getting  
13 any other centralizers out there because there  
14 was none on the rig. There was some others on  
15 the rig on the 16th, we know that don't we?

16 A. Yeah, they were the wrong kind.

17 Q. Thank you, sir, but they were shipped  
18 out there?

19 A. The wrong ones were shipped.

20 Q. And the casing had not been completed?

21 A. That's correct.

22 Q. Had BP wanted to perform the complete

23 installation of that casing in a manner that

24 would have been safe, the job could have been

25 shut down and waited for so many hours or a

1 day or whatever to have gotten centralizers

2 out there that it preferred, could it not?

3 Could it not, sir? Yes or no?

4 MR. STETLER:

5 Excuse me, that is not a yes or no

6 question.

7 MR. GODWIN:

8 Sure it is.

9 MR. STETLER:

10 Can they safely do this with so

11 many predicates in there. Captain,

12 there's no way you can answer that yes

13 or no fairly.

14 BY MR. GODWIN:

15 Q. Sir, isn't it true that if BP on the

16 16th of April decided that the 15 Weatherford

17 centralizers were not the right ones, if it

18 wanted to put safety first, it could have

19 stopped the job, shut it down and said 'We're

20 going to get them in. We ordered those out  
21 here. We're going to make sure now we get the  
22 right ones.' That could have happened,  
23 couldn't it?

24 MR. STETLER:

25 He's asking for a yes or no. I

1 object. There's just too many parts to

2 that question.

3 BY MR. GODWIN:

4 Q. Sir, can you answer the question?

5 A. It's not a yes or no question.

6 Q. Could BP have shut the job down when it

7 realized it needed -- it wanted to have what

8 it believed to be the correct centralizers?

9 MR. STETLER:

10 I object because the predicate's

11 wrong. When it realized that they

12 needed more spacers -- or centralizers.

13 That's not been the testimony. It's a

14 false predicate in there. Could they

15 have had more time? We all know that.

16 It's been beaten to death.

17 MR. GODWIN:

18 No, he said that on the afternoon

19 of the 16th they learned and believed

20           and decided that the centralizers were  
21           not the right ones, I now want to know  
22           if at that time could they have shut  
23           the job down because the casing had not  
24           been completed.  
25           MR. STETLER:

1           He said yes to that before, if you  
2           want to hear a yes again he'll say  
3           yes --

4           CAPT NGUYEN:

5           Mr. Guide, please answer the  
6           question.

7           THE WITNESS:

8           With all due respect it's not a yes  
9           or a no question, Captain.

10          CAPT NGUYEN:

11          If it's not a yes or a no question  
12          answer it as you see fit.

13          THE WITNESS:

14          Okay. There was -- yes, BP could  
15          have shut the job down, but in no way,  
16          shape or form was safety ever  
17          compromised or -- or any part of any  
18          decision of compromising safety in this  
19          operation.

20 BY MR. GODWIN:

21 Q. Sir, my question to you is: BP could  
22 have shut the job down when it realized that  
23 the centralizers were not the right ones,  
24 correct?

25 A. Once again, not a yes or no.

1           Q. Okay, sir. Going back to the one  
2           document you have here. Let me pull it out  
3           for you, sir. Sir, I want to ask you just  
4           about one part of that. It has been gone  
5           over. The part I'm going to ask you about was  
6           not gone over. Mr. Greg Walz wrote to you  
7           only on April 16 -- at what time of day was  
8           this e-mail sent to you, sir?

9           A. This e-mail was sent at 1:00 in the  
10          morning on Friday, April 16th.

11          Q. Okay, sir. And this was after  
12          receiving the report from Halliburton later on  
13          the 15th, correct?

14          A. I don't know if Mr. Walz saw that. I  
15          don't know the exact timing of Mr. Walz's  
16          schedule.

17          Q. But I thought we established earlier  
18          that he was one of the people on the e-mail  
19          that received this April 15th report?

20           A. I'm just saying I don't know the  
21           sequence of his -- how he's doing his e-mails.

22           That's all, sir.

23           Q. And what I'm going to ask you about is  
24           very briefly here. He says, does he not  
25           "There has been" -- in the third paragraph and

1 I'll read through it quickly and into the  
2 second paragraph -- third paragraph "There has  
3 been a lot of discussion about this and there  
4 are differing opinions on the model accuracy,  
5 however the issue here is that we need to  
6 honor the modeling to be consistent with our  
7 previous decisions to go with the long  
8 string", I read that correctly, didn't I?

9 A. Yes, you did, sir.

10 Q. So Mr. Walz, whose in charge of  
11 engineering, was stating that the model of  
12 Halliburton should be honored, was he not?

13 A. That was his opinion, sir.

14 Q. Okay, sir. And he is the person I  
15 believe you said earlier that is in charge of  
16 engineering there at BP in Houston?

17 A. No, sir. He's not in charge of  
18 engineering. He's in charge of the -- he's  
19 the drilling engineering team leader for the E

20 and A Group.

21 Q. Okay. And the team leader being a

22 comparable position to your's but another

23 area, he's in engineering, right?

24 A. Yes, sir.

25 Q. Okay. And it says "David was still

1 here in the office and I discussed this" --  
2 David Sims, your boss man, "David was still  
3 here in the office and I discussed this with  
4 him and he agreed that we needed to be  
5 consistent with honoring the model." I read  
6 that correctly, didn't I?

7 A. Yes, sir.

8 Q. Did they -- did Mr. Sims tell you at  
9 any time that he disagreed with the April 15  
10 model of Halliburton regarding the number of  
11 centralizers?

12 A. He concurred that the model was not  
13 accurate all the time and sometimes it was  
14 right and sometimes it was wrong.

15 Q. Okay, sir. We've asked you here today  
16 if there was ever an occasion where you  
17 thought the model was -- models were incorrect  
18 on the Macondo well and you said that you  
19 didn't know if any, right?

20           A. No, I know that one is incorrect right

21           there.

22           Q. Okay. And, in terms of using the

23           centralizers though, you can't site us to a

24           single instance where there was ever a

25           disagreement with Halliburton's recommendation

1 regarding the number of centralizers, can you?

2 A. Say that again, sir.

3 Q. You can't quote us to a single instance

4 where BP ever disagreed with Halliburton's

5 recommendation regarding the number of

6 centralizers, can you?

7 A. I didn't agree with it.

8 Q. Thank you, sir. And did Mr. Sims talk

9 to you at any time about the April 18 model of

10 Halliburton?

11 A. After the fact, sir.

12 Q. After the incident?

13 A. Yes, sir.

14 Q. Okay, sir. And how long after the

15 incident was that?

16 A. I honestly don't remember.

17 Q. Was it on the evening of the -- was it

18 after the incident? Later that night I

19 believe you said the two of you talked or did

20       you?

21           A.  We didn't talk about the models until

22       well after the incident was --

23           Q.  Okay, sir.  Alright.  The -- let's go

24       back to -- did Brian Morel -- excuse me, did

25       Brian Morel tell you at any time prior to the

1 incident on the evening of the 20th that he  
2 disagreed with the April 15 model of  
3 Halliburton?

4 A. Yes, he did.

5 Q. Okay, sir. Did he say that he  
6 disagreed with the number of centralizers, the  
7 21 that was being referenced in the model?  
8 Prior to the incident did he tell you that?

9 A. I don't think he had an opinion.

10 Q. Okay, sir. Did he tell you that he  
11 didn't have an opinion or are you just  
12 guessing about that?

13 A. I don't recall, sir.

14 Q. Thank you. Now did Mr. Coteles tell  
15 you at any time prior to the incident that he  
16 disagreed with Halliburton's model using 21  
17 centralizers? Prior to the incident, sir.

18 A. He said he didn't agree with the  
19 models, not that particular one, sir.

20 Q. Okay. Well, that's my question. I'm  
21 asking about that one now and that was the one  
22 on the 15th using 21. Just to make sure the  
23 record's correct, did Mr. Cocalis say prior to  
24 the incident in question that he disagreed  
25 with the model as it showed using 21

1 centralizers?

2 A. He did not say that he disagreed with  
3 that particular run.

4 Q. Thank you, sir. And how about Mr.  
5 Hafle, did he at any time tell you prior to  
6 the incident that he disagreed with the model  
7 which showed using 21 centralizers?

8 A. I didn't talk to Mr. Hafle about the  
9 models.

10 Q. Okay, sir. Did -- with regard to the  
11 April 18 model, did Mr. Brian Morel tell you  
12 at any time prior to the incident that he  
13 disagreed with the findings that Jessie  
14 Gagliano had made which showed the potential  
15 for severe gas flow problems if only seven  
16 centralizers were used?

17 A. Everyone knows that model's wrong, sir.

18 Q. Sir, my question is: Is did Brian Morel  
19 -- and I disagree with you that everybody

20 knows it's wrong, but I'm not going to argue  
21 with you. My question, sir, is this: Did  
22 Brian Morel tell you prior to the incident  
23 that he disagreed with Jessie Gagliano's  
24 conclusions regarding the use of seven  
25 centralizers?

1 A. Yes.

2 Q. He did tell you that, okay. And that  
3 was prior to the incident?

4 A. Yes.

5 Q. Okay. And in what respect did he say  
6 he disagreed with Jessie's model as it related  
7 to the use of seven centralizers?

8 A. The model clearly stated that we would  
9 lose circulation during the cement job.

10 Q. Okay. Well, did he tell you  
11 specifically -- my question goes to this:  
12 What, if anything, did he say he disagreed  
13 with Jessie about concerning the use of seven  
14 centralizers in the April 18 model?

15 A. We concurred that we would be able to  
16 get circulation with six centralizers.

17 Q. Okay, okay. You and Brian Morel?

18 A. I said the majority of the people  
19 involved.

20 Q. Okay, sir. Well, what is the -- what  
21 is the purpose of centralizers on a casing  
22 string?

23 A. Well, the purpose is to try to get the  
24 casing off the side of the walls of the  
25 borehole.

1 Q. And the reason for wanting to get the  
2 casing off the side of the wall of the  
3 borehole is what, sir?

4 A. Because you want to get cement all 360  
5 degrees around the casing.

6 Q. And if you don't have the casing  
7 centralized then there's the risk that  
8 whenever the cementer goes in they may not be  
9 able to get a good cementing job, would you  
10 agree with that?

11 A. It's a possibility.

12 Q. When there is improper centralization  
13 you allow for that risk, do you not?

14 A. It's a possibility.

15 Q. It is a potential risk, is it not?  
16 Using an inadequate number of centralizers is  
17 one more risk factor in a well, is it not?

18 A. It depends on the situation.

19 Q. Okay, sir. Would you agree with me

20 that it's a risk factor, the number of

21 centralizers?

22 A. Yes, it is a risk factor.

23 Q. Thank you, sir. Now, you told folks at

24 BP that to put the centralizers on the casing

25 was going to take about ten hours, did you

1 not?

2 A. Yes, I did.

3 Q. And this rig was costing, in terms of  
4 renting it from TO with all the related  
5 manpower and other costs, it was running about  
6 a million dollars a day I think has been  
7 established in this hearing. Are you -- do  
8 you agree with that?

9 A. Close to a million, yes.

10 Q. Okay, sir. So then it would have to be  
11 shut down for about ten hours going forward  
12 with the project if you were going to put the  
13 centralizers on. That would be almost a half  
14 day, would it not?

15 A. Yes, sir.

16 Q. If that decision had been made to put  
17 the centralizers on, correct?

18 A. Yes, sir.

19 Q. Likewise if there had been a cement

20 bond log that had been run that would have

21 taken some additional time, would it not?

22 A. Yes, it would have taken additional

23 time.

24 Q. How much time?

25 A. I'm really not sure, sir.

1 Q. Three hours, four hours? Do you have  
2 any estimate?

3 A. No, sir. I don't have an estimate on  
4 how long it was going to take.

5 Q. Okay. I believe you said earlier that  
6 cement bond logs were not anything that you  
7 normally were involved with, is that correct?

8 A. On the DEEPWATER HORIZON.

9 Q. Okay, sir. Well, how about on other  
10 wells? Have you been familiar with the use of  
11 cement bond logs on other wells that BP's been  
12 involved with?

13 A. Yes, I've been involved with many CBL  
14 logs, cement bond logs.

15 Q. Alright. Would you agree with me that  
16 the use of a cement bond log lessens risk to a  
17 degree in a well where there's been a cement  
18 job performed?

19 A. Can you say that one more time?

20 Q. Yeah. Cement bond log is -- for what

21 purpose is one run, sir?

22 A. It's to see, you know, if you have bond

23 across your pay zone or if -- it doesn't

24 necessarily have to be a pay zone. Where

25 cement is, is there bond to the casing, is

1       there bond with the cement to the formation.

2           Q.   And in essence another way of saying it  
3   is 'We'll tell you where you might have issues  
4   with your cement job', would that be a fair  
5   way of saying it?

6           A.   Yes, sir.

7           Q.   Okay.  And so would you agree with me  
8   that the use of a cement bond log on a well  
9   after a cement job is another way of trying to  
10   minimize risk on a well?  Would you agree with  
11   that?

12          A.   Not necessarily, sir.

13          Q.   Well, it does -- it will -- it is  
14   intended to tell you where you may have issues  
15   with the cement job, is it not, sir?

16          A.   This is not a yes or no answer.

17          Q.   Well, I'm asking you:  Is it true that  
18   the use of the cement bond log is designed in  
19   part to tell you where you have issues with a

20 cement job?

21 A. It's used for when the well is

22 completed.

23 Q. Okay. Well, whenever you have seen

24 CBLs used on other jobs, have you ever seen

25 one come back and show that there were issues

1 with the cement job?

2 A. Yes.

3 Q. And in those instances where you were  
4 involved where you were part of the decision  
5 that additional work would be undertaken to  
6 make sure that the cement job was a good job  
7 before completing the well?

8 A. Yes, sir.

9 Q. Okay, sir. Then would you agree with  
10 me that if a cement bond log when done is  
11 another way of attempting to minimize the  
12 ultimate risk to a well?

13 A. Yes, sir.

14 Q. And would you agree with me that once a  
15 cement job is done and with proper  
16 centralization and a cement bond log that that  
17 is a way of minimizing the risk associated  
18 with severe gas flow problems, would you agree  
19 with me on that?

20 A. Not entirely, sir.

21 Q. Okay. 'Cause we do know that this well  
22 did blow out and had a gas problem, would you  
23 agree with that?

24 A. I don't know what happened, sir.

25 Q. I know you don't know what happened,

1       you said that. But you do know that there was  
2       a blow out. Would you agree with me that  
3       there was a severe gas flow problem that  
4       obviously ended up with the well blowing out?

5       A. No, sir.

6       Q. So you think the gas flow problem was  
7       insignificant or non-existent?

8       A. I don't know what happened, sir.

9       Q. Okay, sir. Well, the well would not  
10      have ignited but for igniting the gas, would  
11      it, sir?

12      A. I don't know what happened, sir.

13      Q. Thank you. Now, sir, I'm going to  
14      refer now to a document. It's also part of  
15      the record. It's BP-HZN-SNR00019040. It's an  
16      e-mail from Jessie Gagliano dated Saturday,  
17      April 17 to Brian Morel, Mark Hafle, Brett  
18      Cocales and Greg Walz. And I'm going to ask  
19      you if you know any of the facts that are

20 included in this e-mail. And it actually  
21 follows an e-mail that's BP-HZN-SNR00019041  
22 dated April 15. It was sent at 6:22. It was  
23 the e-mail that accompanied the report that  
24 you said you looked at and it was sent to  
25 several people: Greg Walz, Brett Cocales, Mark

1 Hafle and Brian Morel. Your name is not on  
2 the e-mail that that particular report was  
3 sent to. Who provided you with the report the  
4 simulation?

5 A. That report was part of the MOC.

6 Q. Okay, sir. And it says "Attached is  
7 the updated OptiCem report and centralizer  
8 placement. The six centralizer subs will be  
9 every 45 feet on bottom from 18,300 to 18,075  
10 feet. Then the box spring centralizers will  
11 be every 45 feet above the subs to 17,400."

12 And you -- I've already said that you saw  
13 that? That e-mail and that report?

14 A. No, sir.

15 Q. That's the April 15.

16 A. I saw that report in the MOC.

17 Q. Okay, sir. And are you aware that  
18 Brian Morel on April 17 at 8:13 in the morning  
19 with a copy to Greg Walz, his boss, sent an e-

20 mail back to Jessie and said "Jessie, can you  
21 make all the changes set yesterday minus the  
22 removal of the spacer behind the plugs? We  
23 will still pump the 200 barrels planned. Can  
24 you send this out some time this morning so  
25 that we can all go through the job?" Were you

1 aware of Brian having told Jessie and Greg

2 Walz that?

3 A. No, sir.

4 Q. Are you aware that on the 17th of April

5 at 10:03 a.m. Jessie writes back to Brian

6 Morel, Mr. Hafle, Mr. Walz and Mr. Cocalles and

7 he says "Attached is a revised proposal with

8 the changes. I believe I've captured all of

9 the changes. And it goes on and asks the

10 question: "Can you confirm before running the

11 additional centralizers or not? I heard from

12 the rig that we were not going to run them.

13 If this is the casing, I will update the

14 OptiCem to reflect." Were you aware that Mr.

15 Gagliano, on behalf of Halliburton, had

16 written that on the 17th and asked "Are you

17 going to run the 21 centralizers?" Were you

18 aware that that was asked by my client on the

19 17th of April?

20 A. No, sir.

21 MS. KARIS:

22 Captain, I'm going to make an

23 objection. Counsel is using Mr. Guide

24 to read into the record all sorts of

25 documents and other evidence that he

1 has. And we're going to have Mr. Guide  
2 here forever if we continue down this  
3 path. Many of the witnesses that are  
4 involved in those e-mails, including  
5 Mr. Gagliano himself, who is scheduled  
6 to testify for these proceedings, will  
7 be at the next hearing. I think it  
8 would make more sense to ask people  
9 involved in those e-mails about those  
10 communications. Instead we're using  
11 Mr. Guide as a mouth piece now to talk  
12 about all sorts of conversations under  
13 the guise of 'Were you aware' and  
14 there's no indication that he was  
15 involved in those. If wanting to ask  
16 him about communication he had and he's  
17 copied on, but given the volume of  
18 documents in this case if we used every  
19 witness to say 'Were you aware of

20 conversation of other people' we're

21 never going to get done.

22 CAPT NGUYEN:

23 I agree with Counsel.

24 MR. GODWIN:

25 I'm finished with exhibits. What I

1                   was going to say in response to that,  
2                   Captain, is this: We've heard  
3                   throughout these hearings that Mr.  
4                   Guide is the one back in Houston who is  
5                   the one that they called on and got his  
6                   permission and approval on everything.  
7                   So I think it's only fair, rather than  
8                   try to hide things, that if they're  
9                   going to say on the one hand 'We didn't  
10                  make the decision on the rig. We had  
11                  to rely on Mr. Guide to tell if it's  
12                  okay', that I be allowed to ask "Did  
13                  you know anything about this" because  
14                  his name has been used repeatedly just  
15                  this week now, not prior. But it's  
16                  been used this week as the one who was  
17                  the buffer, if you will, between BP and  
18                  what was going on out on that rig.  
19                  CAPT NGUYEN:

20 Yes, sir. I agree with that.

21 That's why, you know, the board will

22 allow him to pursue that -- let's wrap

23 it up.

24 MR. GODWIN:

25 Thank you, Judge -- thank you,

1                   Captain.

2           BY MR. GODWIN:

3           Q.   Sir, are you aware of Mr. Brian Morel  
4           telling Mr. Paul Anderson, the foam cement  
5           leader there on the well, are you aware of Mr.  
6           Morel telling him that he, Morel, had  
7           participated in a decision that had saved BP  
8           about \$10,000,000 by using the long string as  
9           opposed to a liner?

10          A.   No, sir.

11          Q.   That did, in fact, happen though,  
12          didn't it? The saving of about \$10,000,000 by  
13          going with a long string?

14          A.   The decision to run the long string was  
15          based on wellbore integrity.

16          Q.   Did it result in a saving of between  
17          \$7,000,000 and \$10,000,000?

18          A.   As I stated before it was a win-win  
19          situation where in this particular case -- in

20       this particular case the best decision for  
21       wellbore integrity was the long string and it  
22       happened to be a good economic decision as  
23       well.

24           Q.   Okay, sir.  One last question and that  
25       is -- again, I'm not asking about anything

1       that your attorney has said to you or anything  
2       that you may have read, but as you sit here  
3       today has anybody told you that he or she or  
4       they believe my client's cement job was  
5       responsible for this incident?

6       A. I'm just thinking.

7       Q. You take your time, sir.

8       A. Thanks. I don't recall any.

9       Q. Thank you, sir.

10       MR. GOODWIN:

11               Nothing further, Captain.

12       CAPT NGUYEN:

13               Yes, sir. Thank you. Weatherford?

14       MR. LEMOINE:

15               Thank you, Captain.

16       E X A M I N A T I O N

17       BY MR. LEMOINE:

18       Q. Mr. Guide, I know you're tired. I

19       promise I'll be brief and believe it or not I

20 do have a couple of questions on the  
21 centralizers, but I think these were perhaps  
22 not asked. That would be a miracle probably.  
23 But so I'll just get right to the point. You  
24 keep on saying that Weatherford -- or that I  
25 should say that the centralizers, the 15, were

1 the wrong type. You're not saying that  
2 Weatherford brought centralizers different  
3 from what they were told to bring?

4 A. No, sir. I wasn't saying that.

5 Q. Okay. I just want to make sure that  
6 was clear. In fact these centralizers, these  
7 bow string centralizers with stop collars,  
8 were part of BP's inventory at Weatherford,  
9 were they not?

10 A. I'm not sure about that, sir.

11 Q. No problem. Were you involved in the  
12 THUNDER HORSE project?

13 A. No, sir. I was not.

14 Q. Okay, alright. Very good. Have you  
15 ever heard of the term shoe track?

16 A. Yes, I have.

17 Q. Do you know what constituted the shoe  
18 track on the long string, the production  
19 string, on the Macondo well?

20 A. Yes, there was a reamer shoe, about 190

21 feet of casing --

22 Q. Uh-huh (affirmative reply).

23 A. -- and then the float collar.

24 Q. And in between were there centralizers?

25 A. On the outside. Yes, sir.

1           Q. Right. In other words: Between the  
2           reamer shoe, which is the very bottom piece of  
3           casing so to speak at the bottom of the well  
4           and the float collars some 150 feet, you've  
5           got the centralizer subs, did I say that  
6           right?

7           A. Yes, the centralizer subs actually went  
8           to 17,800 feet, sir.

9           Q. Right. Were those the type of  
10          centralizers that you wanted the 15 to be?

11          A. No, sir. That wasn't the impression  
12          that I got.

13          Q. No, no. You were very adamant today  
14          that the 15 centralizers that Weatherford was  
15          told to bring and correctly brought were not  
16          the type that you wanted, am I right?

17          A. Just to clarify: I was told the  
18          centralizers were of a certain design that did  
19          not include separate stop collars.

20 Q. I see, alright.

21 A. And, whenever they showed up and they

22 were of the design with the stop collar, then

23 I assumed they were not the right ones and

24 that's when I consulted the engineering folks

25 and they said yes that -- they concurred that

1 it probably wasn't the right one. So, that's

2 how that all went.

3 Q. Was the THUNDER HORSE project a deep  
4 water well?

5 A. Yes, THUNDER HORSE is deep water.

6 Q. Was it successfully completed?

7 A. Yes, sir.

8 Q. Were there bow spring stop collar  
9 centralizers used on it?

10 A. I have no idea, sir.

11 Q. Going back to the shoe track. You  
12 mentioned the reamer shoe. Is a reamer shoe  
13 different than another type of shoe?

14 A. Yes, sir. There's all different kinds  
15 of shoes.

16 Q. Did you -- did BP specify that the shoe  
17 on the shoe track for the Macondo well be a  
18 reamer shoe?

19 A. Yes, sir. The engineers ordered a

20 reamer shoe.

21 Q. And was it because BP anticipated that

22 that would be a tight hole, particularly

23 towards the lower part of the hole as the

24 casing was run?

25 A. They wanted to make sure that they had

1 the extra stout shoe and I do believe that it  
2 was going to be run if it was a liner or a long  
3 string.

4 Q. But the answer to my question is  
5 "Correct"?

6 A. Correct.

7 Q. Alright. You just stated it another  
8 way?

9 A. Yes, sir.

10 Q. The reamer shoe has three ports on it's  
11 nose? It has three holes?

12 A. I don't remember how many holes it has,  
13 sir.

14 Q. And what's the purpose of those holes?

15 A. To circulate out. I mean that's the  
16 circulating holes for where your cement goes  
17 out.

18 Q. Was the float equipment that was placed  
19 on the Macondo well known as autofill

20 equipment?

21 A. Yes, it was.

22 Q. And was the reason for that so that the

23 fluid in the wellbore can easily rise up the

24 inside of the long string in the shoe track?

25 A. Yes, sir.

1 Q. And does BP recognize that in that  
2 situation there is a risk of debris traveling  
3 with that fluid?

4 A. Yes, sir.

5 Q. And that's a risk that BP anticipates  
6 and plans for?

7 A. It is a risk, sir, yes.

8 Q. Did you mention earlier that you  
9 thought that perhaps it was debris that had  
10 landed in the area of the wear bushing that  
11 might have contributed to it being difficult  
12 to retrieve? Did I hear you say that earlier  
13 this morning?

14 A. I don't believe I said "Debris", I said  
15 cuttings.

16 Q. Well, isn't that debris?

17 A. No, sir.

18 Q. Alright. Well, cuttings that were in  
19 the fluid that entered the long string from

20 the autofill application, is that a correct

21 way to say it?

22 A. We pulled the wear bushing before we

23 ran the casing.

24 Q. Alright, very good. Let me ask you

25 this: The nine attempts to convert the float

1 collar, that's a term that I've been hearing  
2 now for a while. Isn't it a more accurate  
3 statement that what was attempting to be done  
4 that day was to circulate through the long  
5 string?

6 A. Yes, sir.

7 Q. You mentioned to Mr. Godwin that the  
8 purpose of centralizers is -- and I'm going to  
9 paraphrase 'Is to keep the casing in the  
10 center of the hole away from the wall', is  
11 that correct?

12 A. I don't believe I said "Center", it's  
13 to keep it away from the wall.

14 Q. Very good. Would you agree that there  
15 is an increased risk of the reamer shoe coming  
16 in contact with the walls of the open hole  
17 with six centralizers as opposed to 21?

18 A. No, sir. Because the -- in this  
19 particular case the centralization was

20 emphasized at the bottom 300 feet -- 600 feet

21 of the casing.

22 Q. Did you -- did you hear or suspect

23 during the running of the long string that the

24 reamer shoe, with it's three holes at the

25 bottom, struck the walls of the open hole?

1 Did you ever hear that?

2 A. It will always strike the walls of the  
3 open hole.

4 Q. And do you agree that that's a  
5 calculated risk that BP makes?

6 A. Yes, sir.

7 Q. And you agree that BP would consider as  
8 a risk the possibility that that reamer shoe's  
9 holes would become clogged with whatever that  
10 formation is?

11 A. Yes, sir. That can happen.

12 Q. Yeah. And, when you tried to circulate  
13 during those nine attempts, if those holes  
14 were clogged you would get the exact pressure  
15 readings that are noted in the daily report?

16 A. It's a possibility, sir.

17 Q. And isn't it a fact that when you were  
18 called about the nine attempts your opinion  
19 was that the blockage was not at the float

20 collar, but at the reamer shoe?

21 A. Clarification: I was called prior to

22 the nine attempts. And, no, I said that I

23 thought the blockage was as a result of the

24 cage ball and the flow collar.

25 Q. Have you seen the interview -- the type

1 written interview notes of Brian Morel that  
2 have been introduced by the panel to these  
3 hearings? Have you seen them?

4 A. No, sir.

5 Q. I'm going to read something to you and  
6 I think your Counsel will trust that I'm  
7 reading something accurate. It said  
8 "Difficulty converting Weatherford float  
9 equipment. Called Houston. J. Guide.  
10 Thinking reamer shoe was plugged, so staged up  
11 pumping to clear shoe." Does that refresh  
12 your memory, sir?

13 A. He was mistaken.

14 Q. So, he was mistaken that you said that?

15 A. That's correct.

16 Q. Okay. But regardless if the clog, the  
17 blockage, was at the reamer shoe or at the  
18 float collar, this is a risk that BP  
19 acknowledged and planned for when they decided

20 to run this casing in an autofill mode?

21 A. It's a risk when you run casing in an

22 autofill mode.

23 Q. And you testify that you've seen this

24 happen to float collars before?

25 A. I have, sir.

1 Q. And without any subsequent problem once  
2 the debris was cleared?

3 A. That's correct, sir.

4 Q. And that's exactly what you think  
5 happened in this case? The debris was  
6 cleared, had no further problems with the  
7 float collar?

8 A. That's what the data also indicates,  
9 sir.

10 Q. I agree with you.

11 MR. LEMOINE:

12 Thank you, sir.

13 CAPT NGUYEN:

14 Thank you, sir. M-I SWACO?

15 MR. EASON:

16 No questions, Captain.

17 CAPT NGUYEN:

18 Thank you, sir. Dril-Quip?

19 MR. KAPLAN:

20 No questions.

21 CAPT NGUYEN:

22 Mr. Guide, it's been a long day for

23 you. So I really appreciate you being

24 here to provide your testimony.

25 MR. PENTON:

1           Captain, I really hate to point out  
2           that I haven't been to the podium.

3           CAPT NGUYEN:

4           Sir, we have already went through  
5           the round here. I did go through the  
6           whole list.

7           MR. PENTON:

8           You did not tender me to question  
9           this witness. No, sir.

10          CAPT NGUYEN:

11          I think I'm pretty accurate.

12          MR. PENTON:

13          I'm positive you didn't. I've been  
14          present the whole time.

15          CAPT NGUYEN:

16          I keep track of the records very  
17          accurate and it's been a very long day  
18          for Mr. Guide. So, if you do have a  
19          critical question for Mr. Guide, you

20            know, we can request for him to appear  
21            as a witness in the next session.  But  
22            we've already gone through the whole  
23            round here.  I understand that many of  
24            you guys out there may have additional  
25            questions for Mr. Guide --

1 MR. PENTON:

2 Captain, Mike Williams has not been  
3 tendered this witness and if you're  
4 going to call this witness back then  
5 we'll cooperate with you along those  
6 lines. I suggest that in Houston, if  
7 we could do that, and I'll be happy  
8 with that. But otherwise, believe me,  
9 I had a lot more questions eight hours  
10 ago. But Mike Williams does have  
11 questions for this witness.

12 CAPT NGUYEN:

13 I understand, sir. And I'm pretty  
14 sure that I did call on Mike Williams  
15 to ask questions. So --

16 MR. PENTON:

17 No, you haven't. And I'm generally  
18 called after Mr. Harrell and I have  
19 other staff here that noticed that,

20 too. I'm happy to reserve if you can

21 tell me that this witness is going to

22 be retendered.

23 CAPT NGUYEN:

24 If you have eight hours of

25 questions for Mr. Guide then I think we

1 can move that to the next session.

2 MR. MATHEWS:

3 No, he had.

4 CAPT NGUYEN:

5 Oh, you say that you have been

6 reduced by a number --

7 MR. PENTON:

8 I promise you I don't want to -- I

9 don't want to keep this witness any

10 longer and I don't want to stay here

11 any longer. I don't think anybody in

12 this room does. All I'm asking for is

13 a reservation, that's all I'm asking,

14 that you can bring him back for a short

15 examination and I'm happy to do

16 that.

17 CAPT NGUYEN:

18 Mr. Guide, can you hang around for

19 another twenty minutes to accommodate

20 Mr. Williams?

21 THE WITNESS:

22 Yes, sir.

23 CAPT NGUYEN:

24 Can you keep it within that time

25 frame because we still have another

1 witness to go.

2 MR. PENTON:

3 I will move it very quickly.

4 CAPT NGUYEN:

5 Yes, sir. Please go ahead.

6 E X A M I N A T I O N

7 BY MR. PENTON:

8 Q. On behalf of Mike Williams, Mr. Guide,  
9 thank you very much. I tell you what I'm not  
10 going to talk to you about centralizers,  
11 cement, casing or negative tests. How about  
12 that? Let's talk about money. What I want to  
13 know is -- I want to know how BP keeps up with  
14 the hourly, daily, weekly, monthly cost of a  
15 well in order to control it's budgeted well  
16 cost. That's the subject of my questions.  
17 Now we know that the well was budgeted for  
18 about \$96,000,000, are you aware of that?

19 A. I'm not aware of the exact budget, sir.

20 Q. Okay. Well are you aware that it's in

21 the neighborhood of \$100,000,000?

22 A. Just to clarify because of the unique

23 situation here that we went from the MARIANAS

24 that got damaged and then because of the

25 hurricane and then the HORIZON happened to

1       come in after the fact, I just don't know all

2       the numbers. That's all.

3           Q. Okay. Well, I tell you what: We're not

4       going to be talking about this particular well

5       in light of that. What I want to know is the

6       procedures that BP uses, including this well,

7       though. What is the department that keeps up

8       with the daily drill costs and the budget for

9       the well?

10          A. There is a --

11           CAPT NGUYEN:

12           Counselor, I mean if you have a

13           question relating to safety and -- this

14           is a safety investigation. So, you

15           know, unless Mr. Guide is involved in

16           the economic analysis and all that --

17           MR. PENTON:

18           Captain, may I? One of the areas

19           of investigations of this board is to

20 determine whether or not safety was  
21 second based to time and money and  
22 whether it be the engineering  
23 department, the subsurface department,  
24 the subsea department or the Ops  
25 department. If they interface with

1           accounting and money I want to know  
2           about their interface. I obviously  
3           don't want to know about how the  
4           accounting department does their own  
5           job, except how it interfaces with  
6           operations. And I -- I think I have a  
7           right to know that from the operational  
8           standpoint.

9           CAPT NGUYEN:

10           Yes, sir. So I mean if it's within  
11           your area of responsibilities then you  
12           can answer, otherwise -- if it's not --

13           THE WITNESS:

14           I can just give a very general  
15           overview of the process because I'm not  
16           involved in the finances.

17           CAPT NGUYEN:

18           Yes, sir. If you feel comfortable  
19           that's fine and I'm sure, you know,

20 Counsel for BP may object to you for  
21 proprietary information of corporate,  
22 you know, secrecy or something on how  
23 they do business. If you can answer  
24 the question then that will be fine.  
25 THE WITNESS:

1                   We keep track of the daily cost on  
2                   the rig. We have a clerk that keeps  
3                   track of the invoices. We also have  
4                   base allocations and helicopter  
5                   allocations, boat allocations that we  
6                   get from the shore base. So we keep  
7                   track of that in the daily report,  
8                   which is the daily BP reports. And  
9                   then those are sent in and of course  
10                  you get all the invoices that come in  
11                  from all the different vendors and they  
12                  are controlled by a whole different  
13                  group. Then the long short of it is  
14                  the AFE then is closed and then they'll  
15                  do a reconciliation to see how close  
16                  the field costs are to the actual  
17                  costs.

18                BY MR. PENTON:

19                Q. And the actual costs and the invoices

20 and all the accounting that you're talking  
21 about is for your operations department, is  
22 that what you're referring to?

23 A. It's the cost associated with the rig,  
24 yes.

25 Q. And would the engineering department

1 have the same kind of accounting papers and  
2 procedures?

3 A. It's all -- it's all the same thing.

4 Q. Okay.

5 A. The engineers prefer -- I'm sorry, the  
6 engineers prepare the AFEs. We, the drilling  
7 people on the rig, keep track of the estimated  
8 field cost and then all the invoices  
9 eventually come in and then it's reconciled.

10 Q. Are there any kind of reports that are  
11 generated by BP down to the departments? The  
12 operations departments and the engineering  
13 departments on any kind of rotation?

14 A. I'm not sure, sir.

15 Q. In other words: Do you know how you're  
16 doing during the progress of a well in terms  
17 of the budget?

18 A. We keep track of the daily cost and we  
19 also keep track of a cumulative running total.

20 And we -- so you can guesstimate where you're  
21 supposed to be at any point in time.

22 Q. I see. And you say "We keep costs",  
23 are you talking about the operations and  
24 engineering departments or are you talking  
25 about BP accounting that gives you those

1 reports?

2 A. The actual daily field costs are  
3 calculated in the field and the engineers also  
4 keep track of them. So it's kept -- it's the  
5 same cost, it just kept track by, you know,  
6 the different entities.

7 Q. In the Macondo well were there ever any  
8 accounting reports of any description that  
9 spoke of the budget and the status of the cost  
10 being expended for this well during it's  
11 entire history?

12 A. I'm not sure of all the reports that  
13 were generated. In my particular case we're  
14 just keeping track of the field cost.

15 Q. Were there any meetings that you were  
16 involved in, either with Mr. Sims, your  
17 supervisor, or with any other departments of  
18 BP to discuss the budgets and the cost being  
19 expended for this well?

20 A. No, sir.

21 Q. Were you under any directive to bring  
22 this well in at any particular level?

23 A. No, sir.

24 Q. One final area: In Houston you were  
25 talking about being a 9:00 to 5:00 employee or

1 7:00 to 5:00 employee, is that correct?

2 A. I'm in the office for a certain period  
3 of time, but I'm a 24 hour, 7 day a week  
4 employee.

5 Q. The BP office in Houston, is it an  
6 operations office?

7 A. It's a -- it does everything. There is  
8 finances, operations, taxes. You name it.  
9 It's a large, large complex.

10 Q. This office, what areas of the world  
11 does this office basically operate for?

12 A. There might be some other ones that I'm  
13 not aware of because it's so big, but  
14 definitely two SPUs, which one is North  
15 American Gas and one is the deep water Gulf of  
16 Mexico.

17 Q. Okay. Now, at the Houston Operations,  
18 all of the technical people that are there in  
19 operations and engineering and drilling and

20 all of the other technologies, are they all  
21 hourly Monday through Friday people or is  
22 there anyone at BP in Houston that works from  
23 a technical standpoint after hours, during the  
24 work week or during weekends?  
25 A. Sometimes if they have to.

1 Q. And what types of "Have to" situations  
2 can you tell us about?

3 A. If you're in finance and you've got to  
4 get a report done or if you're in subsurface  
5 and you've got to get a map done. If you're  
6 in drilling and completion and you've got to  
7 get a procedure done. It can be a lot of  
8 different things.

9 CAPT NGUYEN:

10 I'm still not clear where you're  
11 going, Counselor.

12 MR. PENTON:

13 Captain,  
14 I'm trying to get basic background information on the expertise  
15 and technologies at the Houston office  
16 and how they monitor the operations  
17 going on in the Gulf of Mexico. That's  
18 it. He's answered the question.

19 BY MR. PENTON:

20           Q. At the Houston office the real time  
21           feed of video, audio or data, can you just  
22           very briefly tell us the types of data that  
23           the Houston office receives from a well such  
24           as the Macondo well during it's operations?  
25           A. The only real time data is from Sperry

1 Sun, a feed that's the mud logging, the mud  
2 logging data. There's no other video feed or  
3 anything. There is no video feed.

4 Q. You said there is?

5 A. There is no video feed.

6 Q. So, there are no cameras that were on  
7 the DEEPWATER HORIZON, is that correct?

8 A. No, there were cameras on the DEEPWATER  
9 HORIZON, but they did not record. They were  
10 just for -- to help people do their job.

11 Q. Okay.

12 MS. KARIS:

13 Captain, I'm going to object to  
14 this continued line of questioning.

15 This is turning into a discovery  
16 deposition basically. It's not  
17 eliciting facts regarding this  
18 particular incident.

19 MR. PENTON:

20                   Captain, these parties have an  
21                   absolute right to know what real time  
22                   information the Houston office was  
23                   getting about these operations and  
24                   that's the purpose of the question.  
25                   CAPT NGUYEN:

1 Right. But I would like to stay  
2 away from the financial -- if you're  
3 talking about camera monitoring, what  
4 people are doing on the rig floor --

5 MR. PENTON:

6 Yes.

7 CAPT NGUYEN:

8 -- if you're talking about data  
9 coming from the mud log then let's  
10 continue. But let's stay away from the  
11 financial angle.

12 MR. PENTON:

13 Well, I finished the financial  
14 questions and I've asked all that.

15 CAPT NGUYEN:

16 Yes, sir.

17 MR. PENTON:

18 But now we're talking about  
19 operations.

20 BY MR. PENTON:

21 Q. I want to know if they could see

22 everything going on out on that rig during

23 these critical days in a real time fashion.

24 Not that it was recorded, but they could

25 actually sit -- I believe the room is called

1 the hive, is that correct?

2 A. That's not correct.

3 Q. That's not correct. So what is the  
4 name of the room where they're allowed to  
5 watch the work on these rigs?

6 A. The DEEPWATER HORIZON did not have a  
7 room for that.

8 Q. They did not have what?

9 A. They did not have a room specifically  
10 for that.

11 Q. Okay. How about the -- how about in  
12 Houston? Did you have a video feed, a live  
13 video feed or a delayed video feed to Houston  
14 on the operations on the rig?

15 A. No, we had no video feed from the rig.

16 Q. And no audio feed, is that correct?

17 A. We had a phone.

18 Q. Other than phone no audio feed,  
19 correct?

20 A. No audio feed.

21 MR. PENTON:

22 In light of the number of hours

23 this witness has been on the stand, I

24 appreciate the Captain allowing the

25 questions for Mr. Williams.

1           CAPT NGUYEN:

2           Thank you very much. Mr. Guide,  
3           are there any questions that we didn't  
4           ask you or any information that you  
5           would like to provide to the board?

6           THE WITNESS:

7           I just want to say, Captain, that,  
8           you know, myself as much as anybody  
9           wants to, you know, find out what  
10          really happened and I'll be happy to do  
11          anything I can to assist in that.

12          CAPT NGUYEN:

13          Yes, sir. If we need you to come  
14          back in the future, will you make  
15          yourself available?

16          THE WITNESS:

17          Yes, sir.

18          CAPT NGUYEN:

19          Yes, sir. Thank you very much.

20            You are dismissed. Have a safe drive

21            home.

22            THE WITNESS:

23            Thank you.

24            CAPT NGUYEN:

25            We'll take a break and reconvene at

1                   6:00 for our next witness.

2           (Whereupon, a short break was taken off the  
3           record.)

4                   \* \* \* \* \*

5                               SHANE ALBERS,  
6           after being first duly sworn in the cause,  
7           testified as follows:

8                               E X A M I N A T I O N

9           BY MR. MATHEWS:

10           Q. Mr. Albers, for the record could you  
11           please state your full name and spell your  
12           last?

13           A. Shane Edward Albers, A--L-B-E-R-S.

14           Q. Thank you, sir.

15                               CAPT NGUYEN:

16                               Counsel, please identify yourself,  
17                               also.

18                               MR. MONICO:

19                               My name is Michael Monico, O-N-I-

20 C-O, of Monico, Pavich and Spevach in

21 Chicago, Illinois.

22 BY MR. MATHEWS:

23 Q. Mr. Albers, what position do you hold

24 within BP?

25 A. I'm a challenger subsea engineer.

1 Q. What is your educational background,  
2 sir?

3 A. I graduated from Texas State University  
4 May 2009 with a bachelor of science and  
5 mechanical engineering and a bachelor of  
6 business administration and finance economics  
7 and general business.

8 Q. Okay. And how long have you been in  
9 the position that you're currently in?

10 A. Since August 2009.

11 Q. Can you please briefly describe your  
12 job responsibilities?

13 A. I'm a member of the subsea wells team  
14 and I'm a challenger subsea engineer. So, I'm  
15 involved in a training program. It's a three  
16 year program that requires me to obtain  
17 certain competencies through formal training,  
18 on the job training and field experience and,  
19 as a subsea wells engineer, I'm learning all

20 the subsea infrastructure, how to install it

21 and make sure that it works.

22 Q. And how long had you been on the

23 DEEPWATER HORIZON prior to the incident, sir?

24 A. I arrived the Friday before.

25 Q. And had you been to the DEEPWATER

1 HORIZON prior to that?

2 A. No, it was my first time.

3 Q. Had you been on any other deep water  
4 rigs for BP, sir?

5 A. Not offshore. I was aboard the  
6 MARIANAS back in the end of August, early  
7 September for an eight day training course.

8 Q. Okay. To the best of your  
9 recollection, can you walk us through the  
10 events of April 20th as you recall, sir?

11 A. I woke up late Tuesday afternoon and we  
12 were getting documents ready to do our  
13 procedure. And, you know, making sure  
14 everything was in order. And around 10:00 at  
15 night that's whenever the first explosion  
16 happened. And I can keep going further into  
17 that.

18 Q. Yeah, please.

19 A. Okay. And then after that alarms went

20 off. I was in the directional driller's  
21 office. I stood up, walked towards my bunk to  
22 get my life vest and I was walking down the  
23 hallway and that's when the second explosion  
24 happened. After that, smoke was everywhere.  
25 I couldn't tell if it was emergency lighting

1 or fire. I proceeded to my bunk to get my  
2 life vest. You're hearing them telling us to  
3 muster in the galley. The galley was on fire,  
4 the ceiling was collapsed. So, we walked  
5 outside and you could see the light that the  
6 fire was admitting and people were starting to  
7 muster, going through that process. That's  
8 when I first saw the fire. I turned around  
9 and the fire was halfway up the derrick. It  
10 was a raging fire, it was out of control.  
11 There was a sense of urgency, we needed to go.  
12 And people were frozen up, they couldn't move.  
13 And I saw a couple of people jump off the  
14 side. I grabbed people and asked them if they  
15 checked in. I told them to get into the  
16 lifeboat and, you know, did that for a few  
17 people. People started going. I got in the  
18 lifeboat myself and everybody filled in,  
19 closed the doors, we deployed the life vessel

20 -- the lifeboat and went to the supply vessel

21 after that.

22 Q. Alright. Thanks a lot, sir. Earlier

23 you said that you worked on some documents

24 together with a group. Who were you working

25 with?

1           A. I was out there with the team. The  
2 supervisor Randy Skidmore and Brad Tippetts.

3           Q. Who were you directly reporting to?  
4 Randy or Mr. Tippetts?

5           A. Randy was the supervisor for the  
6 installation and Brad Tippetts is another  
7 challenger subsea engineer.

8           Q. Okay. So, y'all were both in the  
9 challenger subsea engineer program?

10          A. Yes.

11          Q. I want to go back to the notification  
12 to muster. Did you hear any alarms that  
13 indicated for you to muster or was it just a  
14 general notification from the bridge to muster  
15 over the intercom?

16          A. There was a notification.

17          Q. Like a verbal notification?

18          A. Yeah.

19          Q. Like I'm talking right now?

20           A.  Somebody over the intercom came and was

21           telling us to muster in the galley and -- and

22           I went there and --

23           Q.  Was there any confusion with your

24           muster?  Were you assigned a specific lifeboat

25           or life station?  I'm sorry, muster station?

1           A. Yes, I was assigned a specific

2 lifeboat.

3           Q. Was there any confusion with that

4 process, sir?

5           A. No.

6           Q. I thought I read in some testimony or

7 some interviews that you gave that there was

8 an indication that once the incident occurs --

9 you had switched your room while you were on

10 the DEEPWATER HORIZON, is that correct?

11          A. That is correct.

12          Q. When you switched your room onboard the

13 DEEPWATER HORIZON, was there an incident where

14 you were not given the proper lifeboat?

15          A. I was never told if my lifeboat had

16 changed or not. I was -- I wasn't told any of

17 that.

18          Q. I know this is your first time on the

19 DEEPWATER HORIZON. I can only assume that you

20 were out there I think performing the setting

21 of the lockdown sleeve?

22 A. I was out there mainly to observe how

23 to set a lockdown sleeve as part of my

24 training.

25 Q. Was this the first time you have ever

1       been involved in the setting of a lockdown

2       sleeve?

3       A. That's correct.

4       Q. How about Mr. Tippetts? Do you know if

5       this was his first time, too?

6       A. I don't know for sure.

7       Q. Do you know how many years or how long

8       he's been in this challenger subsea program?

9       A. I'd say over two years.

10      Q. Over two years. And Mr. Skidmore were

11      you comfortable with his knowledge of -- had

12      he set any lockdown sleeves before?

13      A. I'm not aware if he had set any

14      lockdown sleeve in the past, but he has over

15      30 years of experience working offshore, so I

16      felt comfortable.

17      Q. Prior to arriving on the DEEPWATER

18      HORIZON, did you review any documents

19      specifically maybe from Dril-Quip on the

20 procedures of setting down a lockdown sleeve?

21 A. Yes, we had received procedures for how

22 to run the lead impression tool and set the

23 lockdown sleeve.

24 Q. Do you recall the procedures the day

25 that you arrived on April -- I mean when you

1 were actually in the process of setting it  
2 before the incident occurred, you were going  
3 to be setting down the lockdown sleeve  
4 afterwards. But was there a discrepancy  
5 between the procedures defined in the Dril-  
6 Quip procedure and the one that you actually  
7 had on the rig that was provided by BP?

8 A. Well, we received the procedure from  
9 Dril-Quip and then we made that procedure fit  
10 for the HORIZON. So what that entailed was  
11 mainly just the type of drill pipe they were  
12 using and making sure we had the proper cross  
13 overs.

14 Q. Did you have any communication with Mr.  
15 Brian Morel while you were onboard the  
16 DEEPWATER HORIZON?

17 A. Yes.

18 Q. Was he familiar with the setting of a  
19 lockdown sleeve?

20 A. I'm unaware of his familiarity with

21 that.

22 Q. Did you have any communication with

23 anybody from Dril-Quip on setting the lockdown

24 sleeve?

25 A. Uh, yes. We had a Dril-Quip service

1 hand out there.

2 Q. Was he going to be assisting y'all in  
3 setting it?

4 A. Yes, he was going to be the primary  
5 person doing the operation.

6 Q. Are you familiar with the practice of  
7 the timing of running the lockdown sleeve,  
8 sir?

9 A. No, this was my first time to do it.

10 Q. When you evacuated you went to the  
11 DAMON BANKSTON. Were you assigned to be a  
12 scribe on the bridge of the DAMON BANKSTON,  
13 sir?

14 A. No, I wasn't assigned to be a scribe.  
15 I went up to the bridge and I spoke to Lee  
16 Lambert and just asked him if there was  
17 anything that I could do. And he had been a  
18 scribe. He was scribing and asked for me to  
19 do it for a while. So I did that for -- I

20 don't know exactly how long. Then he came

21 back and he kept on scribing.

22 Q. Okay. While you were on the bridge did

23 you hear any arguments or any type of

24 indication that someone knew that something

25 was wrong with the well?

1 A. No, I don't recall.

2 Q. Okay. Do you recall any communication  
3 with people to and from BP on the bridge of  
4 the BANKSTON to the beach? Who was mainly  
5 communicating with the beach is what I'm  
6 trying to get to?

7 A. From what I remember David Sims was on  
8 the phone.

9 Q. Was anyone else from BP on the phones  
10 on the bridge of the DAMON BANKSTON?

11 A. From what I remember it seems like  
12 David Sims was the only one on the phone.

13 MR. MATHEWS:

14 Thank you, sir. I have no further  
15 questions.

16 THE WITNESS:

17 Thank you.

18 MR. McCARROLL:

19 No questions at this time.

20 CAPT NGUYEN:

21 Flag state?

22 MR. LINSIN:

23 Thank you, Captain. Just one

24 question.

25 EXAMINATION

1 BY MR. LINSIN:

2 Q. Good afternoon, Mr. Albers. I'm Greg  
3 Linsin. I represent the Republic of the  
4 Marshall Islands. Is it correct, sir, that  
5 the lockdown sleeve was originally scheduled  
6 to be installed on Sunday, as best that you  
7 recall?

8 A. The earliest time that the lead  
9 impression tool was going to be run was that  
10 weekend and we flew out there Friday.

11 Q. Okay. And did something arise to cause  
12 a delay in the installation of the lockdown  
13 sleeve? Do you recall that?

14 A. There are certain operations that have  
15 to happen prior to running a lead impression  
16 tool on the lockdown sleeve. And I know that  
17 they were taking longer than expected, but I  
18 don't know exactly any details about that.

19 Q. Alright. Did you hear anyone

20 discussing what those delays were attributable

21 to or why there had been a delay?

22 A. Any discussions that I would have heard

23 were noted in my log book and that was -- that

24 was lost aboard the HORIZON.

25 Q. So, as you sit here today, do you have

1 any recollection of any of those

2 conversations?

3 A. No, I don't remember.

4 MR. LINSIN:

5 Alright. I have nothing further.

6 Thank you, Captain.

7 CAPT NGUYEN:

8 Thank you, sir. Curt Kuchta

9 E X A M I N A T I O N

10 BY MR. SCHONEKAS:

11 Q. I'll be very brief. Good evening, sir.

12 My name is Kyle Schonekas. I represent

13 Captain Kuchta. You indicated that your

14 assignment bunk -- bunk assignment had

15 changed, is that correct, sir?

16 A. That's correct.

17 Q. But your assignment in terms of a

18 lifeboat did not change, is that correct?

19 A. I'm unaware if it changed or not.

20 Q. And you were able to find that

21 lifeboat?

22 A. We had done a drill that Sunday and

23 whenever the incident happened I thought, you

24 know, I was still on the same lifeboat. So I

25 went to my assigned lifeboat.

1 Q. And that's the one that you reported to  
2 after the explosion?

3 A. That's correct.

4 Q. And you were able to locate that boat,  
5 is that right, sir?

6 A. That's correct.

7 MR. SCHONEKAS:

8 Thank you, that's all I have.

9 CAPT NGUYEN:

10 Thank you, sir. Jimmy Harrell?

11 MR. FANNING:

12 No thank you.

13 CAPT NGUYEN:

14 Thank you, sir. Mike Williams?

15 MR. PENTON:

16 No thank you, Captain.

17 CAPT NGUYEN:

18 No thank you, Captain. Stephen

19 Bertone?

20 MR. LONDON:

21 No thank you, Captain.

22 CAPT NGUYEN:

23 Thank you, sir. BP?

24 MS. KARIS:

25 No, thank you.

1 CAPT NGUYEN:

2 Transocean?

3 Mr. CLEMENTS:

4 Thank you, Captain.

5 EXAMINATION

6 BY MR. CLEMENTS:

7 Q. Good afternoon, Mr. Albers. My name is

8 Miles Clements. I represent Transocean. A

9 couple of -- a couple of questions. You --

10 trying to jump into the sequence. You heard

11 an alarm sound on the evening of April 20th?

12 A. Yes. After the first explosion.

13 Q. Yes. And I looked at the notes from

14 your statement. You have a recollection or

15 you did when you were interviewed regarding

16 the number of alarms you heard?

17 A. I remember I was counting the number of

18 times the alarm was going off.

19 Q. And how many times do you recall did

20       you count?

21           A.  If I remember correctly I was at

22       number-5 when the second explosion happened.

23           Q.  Can you --

24           A.  I was at number-5 when the second

25       explosion happened.

1 Q. Alright. The two explosions happened  
2 pretty quickly in time to each other?

3 A. Yeah, they did.

4 Q. A minute or so?

5 A. I'd say less than that.

6 Q. Less than a minute, okay. Did you ever  
7 see British Petroleum's temporary abandonment  
8 plan that would involve the work of the  
9 lockdown sleeve for which you were onboard?

10 A. If I remember correctly we had asked  
11 Brian Morel to send us that plan of, you know,  
12 the sequence of events that we were going to  
13 do.

14 Q. Do you recall what the sequence was?

15 A. No, I don't remember specifically.

16 MR. CLEMENTS:

17 Alright. Thank you, sir. That's  
18 all I have. Thank you, Mr. Albers.

19 THE WITNESS:

20 Thank you.

21 CAPT NGUYEN:

22 Thank you, sir. Anadarko, MOEX

23 Offshore?

24 E X A M I N A T I O N

25 BY MS. KUCHLER:

1 Q. Good evening Mr. Albers. My name is  
2 Deb Kuchler. I represent Anadarko and MOEX.  
3 Am I correct that your job was to observe the  
4 installation of the lockdown sleeve assembly  
5 and not to participate in it's installation?

6 A. My role was to observe and assist.

7 Q. How many times -- I know you said this  
8 was your first time to participate. Had you  
9 ever played any role whatsoever in setting a  
10 lockdown sleeve before?

11 A. No, this was my first time.

12 Q. You had never even seen one done?

13 A. That's correct.

14 Q. Okay. I'm a little confused then. Was  
15 there a written procedure in place for how  
16 this was going to be done and who was going to  
17 play what role?

18 A. Yes. We received a procedure from  
19 Dril-Quip and then we expanded on that

20 procedure that they gave us.

21 Q. Did BP have it's own procedure? I have

22 a document here that starts with Bates Number

23 BP-HZN-CEC012430 with a BP logo in the top

24 right hand corner that says "Macondo led

25 impression tool (LIT) and lockdown sleeve

1 (LDS) running procedure. Had you ever seen

2 that?

3 A. I don't know exactly when that was  
4 written. But the one for the Macondo well I  
5 helped write.

6 Q. You helped write?

7 A. That's correct.

8 Q. And I'm happy to give you time to look  
9 at this if you'd like, but under "Resources  
10 and responsibility" under "Personnel" it has  
11 your name listed, "Role: Offshore PIC", what's  
12 an offshore PIC? Person in Charge?

13 A. That's what PIC stands for.

14 Q. For the company BP?

15 A. That's correct.

16 Q. And it says that your responsibility  
17 "Person in charge of LIT run. Conduct JSEAs,  
18 coordinates installation to ensure LIT  
19 procedure is completed. Interface with rig

20 operations." Were you aware of that job  
21 responsibility description in this procedure?

22 A. Yes, I was.

23 Q. What is a JSEA?

24 A. A job safety analysis.

25 Q. So is this correct that you were

1 actually the person in charge of the LIT run?

2 A. PIC is more of just an offshore jargon.

3 My supervisor was Randy Skidmore. He was

4 there to make sure everything happened

5 correctly.

6 Q. But were you the PIC?

7 A. Randy Skidmore was my supervisor.

8 Q. Okay. So the written procedure that

9 you helped write did not accurately define

10 your job duties for this operation?

11 A. Well, all I know what to say is that

12 Randy Skidmore was my supervisor and that he

13 was going to make sure that nothing happened.

14 Q. So, although the written procedure says

15 that you were the person in charge, what

16 you're telling us today is that in fact Randy

17 Skidmore was really the person in charge, is

18 that right?

19 A. Yes, that's right. Randy Skidmore was

20 my supervisor and I was responsible for -- not  
21 responsible for -- Randy Skidmore had the  
22 responsibility, but I was there to help him  
23 out in any way.

24 Q. Okay. This procedure says that Randy  
25 Skidmore was playing the role of offshore

1 operational support, does that sound right?

2 A. He was the offshore supervisor.

3 Q. And his responsibility is outlined

4 "Provide operational assistance/assurance and

5 trouble shooting support." So, what you're

6 telling me based on your description of Mr.

7 Skidmore's responsibility, this written

8 procedure has incorrectly described his

9 responsibility as well?

10 A. No, I don't think it incorrectly

11 describes his responsibility.

12 Q. Well, you just told us he was actually

13 the person in charge and it doesn't say that

14 in the procedure, does it?

15 MR. MONICO:

16 No, he said the person in charge is

17 jargon. It's just an expression that

18 is used. He didn't say that someone

19 else -- it may mean something different

20 to you, but in terms that he was

21 concerned it's jargon.

22 BY MS. KUCHLER:

23 Q. Could the witness please answer the

24 question?

25 A. The way that we wrote the procedure was

1 we got the procedure from Dril-Quip. We had a  
2 prior lockdown sleeve procedure that we had  
3 used in the past. I took that procedure and  
4 used it as a template to write this procedure.  
5 So, in that procedure that I used, it  
6 described a person in charge, it described  
7 offshore supervisor and I went with that.

8 Q. Please let me know if you don't feel  
9 like you have enough experience or training to  
10 answer some of these questions, but I would  
11 like to explore your knowledge. Would you  
12 agree that to have a safe operation in a  
13 single long string casing design the top of  
14 the casing should be locked down?

15 A. I'm not involved in any of the  
16 completions operations. I don't have enough  
17 experience to answer that question.

18 Q. We were provided some interview notes  
19 that have been -- it looks like an interview

20 was conducted with you on April 28th by Kevin

21 Fontenot, Dave Wall and Warren Winters. Do

22 you remember that interview?

23 A. Not specifically.

24 Q. In the notes it says that two to three

25 hours prior to the incident "Working in

1 office. Double checking procedures for  
2 lockdown sleeve installation." What  
3 procedures were you checking two to three  
4 hours before the incident?

5 A. I was checking the lockdown sleeve  
6 procedures and we have an Excel file that we  
7 use to measure the distance from the casing  
8 where we are with the pipe tallies and I was  
9 just making sure that the numbers were  
10 accurate.

11 Q. Who prepared that Excel spreadsheet?

12 A. Again, it was a templet that we had  
13 used in the past. I don't know who created  
14 it. We just use it.

15 Q. Where did you get the data to put into  
16 it?

17 A. I received a pipe tally list from Brian  
18 Morel.

19 Q. And you used that data and you input it

20 into the Excel spreadsheet?

21 A. For the lead impression tool run, yes.

22 Q. Were the formulas already embedded in

23 the Excel spreadsheet or did you have to do

24 the actual calculations or formulas?

25 A. I believe the formulas were already

1 embedded.

2 Q. And when you said that you were  
3 reviewing the procedures did you mean the  
4 written procedures that you had adapted from  
5 the Dril-Quip model?

6 A. That's correct.

7 Q. Okay. In this interview on April 28th  
8 the notes also say "Plan was to install  
9 lockdown sleeve on Sunday but was delayed due  
10 to "Problems". Can you tell us what problems  
11 you were referring to that caused the delay of  
12 the lockdown sleeve?

13 A. I don't know the specific problems. I  
14 just know that the operations had to be  
15 completed prior to running a lead impression  
16 tool were taking longer than expected.

17 Q. So do you not know or can you not  
18 recall what problems you may have mentioned in  
19 this interview?

20 A. I don't recall.

21 MS. KARIS:

22 I just want to make clear again

23 those are not the words of this

24 witness. Those are the words of

25 investigators. And I think the record

1           should be clear. Because the question  
2           implies that "Problems" was Mr. Albers'  
3           words.

4           MS. KUCHLER:

5           The word "Problems" is actually in  
6           quotes in the interview notes.

7           CAPT NGUYEN:

8           You can confirm whether you said  
9           that or not, that's all.

10          BY MS. KUCHLER:

11          Q. Do you recall telling these  
12          interviewers from BP that -- in your words --  
13          the word they have in quotes is "Problems"  
14          caused a delay. Let me say it exactly "Plan  
15          was to install lockdown sleeve on SUN, Sunday,  
16          but was delayed due to "Problems"". Did you  
17          use the word "Problems" in describing what  
18          caused the delay?

19          A. I don't remember the exact words that I

20 used.

21 Q. And, as you're sitting here today, do  
22 you not know or do you not recall what those  
23 problems may have been?

24 A. Any problems that -- any of the  
25 problems I would have written down in my log

1 book and all of that was lost aboard the

2 HORIZON.

3 Q. So, you don't recall today?

4 A. I don't recall.

5 Q. Okay. Can you tell us what holds the  
6 seal assembly in place if the lockdown sleeve  
7 has not been run?

8 A. The casing hanger seal assembly is  
9 outside of my realm.

10 Q. Okay. Did you know then or have you  
11 since learned whether there's a typical way to  
12 set a lockdown sleeve?

13 A. No, this was my first time throwing a  
14 lockdown sleeve and what's typical I'm unaware  
15 of.

16 Q. From writing the procedure, I take it  
17 though that you would know that you run the  
18 lead impression tool first and then set the  
19 lockdown sleeve, is that right?

20           A. That's the recommended practice of

21           Dril-Quip that we received.

22           Q. And you are aware that BP planned to

23           run this lockdown sleeve after it displaced

24           the well to seawater, right?

25           A. No, I don't remember.

1           Q. If we look at paragraph-15 on Bates  
2           Number BP-HZN-CEC012445, which is the  
3           procedures you said you wrote, in paragraph-15  
4           it says "The marine riser should already be  
5           displaced with seawater." Does that refresh  
6           your recollection?

7           A. Are you referring to the lockdown  
8           sleeve portion or the lead impression tool  
9           portion?

10          Q. The LIT running procedure.

11          A. Okay.

12          Q. So the answer is that the marine riser  
13          should already be displaced with seawater  
14          before the LIT tool is run? Would you like to  
15          see your procedures?

16          A. Yes.

17                 MS. KUCHLER:

18                 May I approach and allow the  
19                 witness to see?

20 CAPT NGUYEN:

21 Yes.

22 THE WITNESS:

23 Can you restate your question again

24 please?

25 BY MS. KUCHLER:

1 Q. Sure. Does this procedure -- first I  
2 did read it correctly, didn't I, that the  
3 marine riser should already be displaced with  
4 seawater, right?

5 A. Yes.

6 Q. So that would indicate that BP planned  
7 to run the lockdown sleeve after displacing  
8 the well to seawater, wouldn't it?

9 A. Yes.

10 Q. Does this assume that there would  
11 already have been a successful negative  
12 pressure test before starting this procedure?

13 A. I'm unaware of any of the operations  
14 that take place prior to running the lead  
15 impression tool.

16 Q. Can you turn to Bates Number 012433 in  
17 that document please?

18 MR. MONICO?:

19 012433?

20 MS. KUCHLER:

21 Yes.

22 BY MS. KUCHLER:

23 Q. I would like to direct your attention

24 to the "Key risk" section. Is one of the key

25 risks that was identified in this procedure

1 that you helped to write "Debris across the  
2 wellhead, locking profile and/or the top of  
3 the 9 and 7/8ths inch casing hanger seal  
4 assembly causing a poor measurement with the  
5 lead impression tool or difficulty in locking  
6 the LDS."

7 A. That's what it says.

8 Q. So that's one of the key risks that was  
9 evaluated in coming up with this procedure?

10 A. That's correct.

11 Q. Would the displacement to seawater  
12 before you started this procedure impact this  
13 key risk and, if so, how?

14 A. That was an issue that was brought up  
15 by Randy Skidmore and I'm not aware of all the  
16 problems that that could have caused. This  
17 was my first time to do this particular  
18 procedure.

19 Q. Well did you understand that there were

20 different consequences to setting the lockdown

21 sleeve in drilling fluid as compared to

22 seawater?

23 A. I don't know.

24 Q. You don't know if you understood that

25 at the time that this procedure was being

1 carried out?

2 A. I'm not aware of the differences.

3 Q. Do you know whether one of the purposes  
4 of drilling fluid is to carry off debris?

5 A. No, I'm not aware of all the reasons  
6 drilling fluid are used.

7 Q. So let me ask you about another risk  
8 that's identified there: Not achieving a seal  
9 between the lockdown sleeve and the production  
10 casing hanger. Is that listed as a key risk?

11 A. Yes, it is.

12 Q. Can you tell us anything about the  
13 rationale for that risk factor being  
14 considered?

15 A. No, I can't.

16 Q. So is it fair to say that you wouldn't  
17 be the right person really to address why  
18 these risks were identified or what the basis  
19 of them was?

20           A. That would be a fair assumption. I'm a  
21           new hire in the challenger program and my main  
22           role was to learn how to run a lockdown sleeve  
23           while I was out there.

24                       MS. KUCHLER:

25                               Thank you. May I retrieve my

1 document?

2 CAPT NGUYEN:

3 Yes, ma'am. Cameron?

4 MR. JONES:

5 No questions.

6 CAPT NGUYEN:

7 Halliburton?

8 MR. GODWIN:

9 No questions, Captain.

10 CAPT NGUYEN:

11 Thank you. Weatherford?

12 MR. LEMOINE:

13 No questions, Captain.

14 CAPT NGUYEN:

15 M-I SWACO?

16 MR. EASON:

17 No questions, thank you.

18 CAPT NGUYEN:

19 Dril-Quip?

20 MR. KAPLAN:

21 No questions.

22 EXAMINATION

23 BY CAPT NGUYEN:

24 Q. Mr. Albers, let me get it clear in my

25 mind. So you're a new hire and you're pretty

1 much in the trainee mode, is that right?

2 A. That's correct.

3 Q. Okay. And you developed this procedure

4 which you based it on Dril-Quip's procedure,

5 is that correct?

6 A. Dril-Quip's procedure and another BP

7 lockdown procedure that was used in the past.

8 Q. Okay. So you merged the two together.

9 So who approved of this procedure? This

10 tailored procedure, let's call it that.

11 A. This procedure was reviewed by the

12 subsea wells team.

13 Q. And so that's somebody who signs off or

14 approves that procedure or -- everybody just

15 gets together and review it and the way you

16 go? How's that work?

17 A. Well, you write a rough draft, you send

18 it out for comments. They make their

19 comments, you revise it and then you -- it was

20 signed off. Yes.

21 Q. Who signed off on it?

22 A. I believe my team leader, Merrit Kelly.

23 Q. Who?

24 A. Merrit Kelly.

25 Q. Merrit Kelly signed off on it, okay.

1 A. If I recall correctly.

2 Q. Alright. So you were just doing the  
3 leg work in terms of drafting it, but is  
4 Merrit Kelly the one who actually approves it?

5 A. If I remember correctly.

6 Q. And responsible for the -- for the  
7 content of it, is that correct?

8 A. Yes, sir.

9 CAPT NGUYEN:

10 Okay, thank you.

11 EXAMINATION

12 BY MR. DYKES:

13 Q. When you wrote that procedure did it  
14 include displacing the wellbore or did your  
15 procedure that you wrote strictly dealt with  
16 the lockdown sleeve and the lead impression  
17 tool?

18 A. My procedure was solely the lead  
19 impression tool.

20 Q. And then the lockdown sleeve?

21 A. And the lockdown sleeve. The other was  
22 for Brad Tippetts.

23 Q. Okay. But you had no knowledge that  
24 there was a displacement operation that was  
25 going to take place from the time that the

1 seal assembly was landed and the time that you  
2 would run the lead impression tool?

3 A. No, I don't remember.

4 MR. DYKES:

5 Okay, thank you.

6 THE WITNESS:

7 Alright.

8 CAPT NGUYEN:

9 Mr. Albers, any question that we  
10 didn't ask or any information that you  
11 would like to provide to the board at  
12 this time?

13 THE WITNESS:

14 No.

15 CAPT NGUYEN:

16 Okay. If we need for you to come  
17 back in the future will you make  
18 yourself available?

19 THE WITNESS:

20 Yes, sir.

21 CAPT NGUYEN:

22 Thank you, sir. You are dismissed.

23 Thank you. Before we adjourn for the

24 day I just want to make an

25 administrative announcement. Based on

1           the evidence that the board has  
2           received we will designate Mr. Patrick  
3           O'Bryan and Mr. Robert Kaluza as a  
4           Party In Interest. The hearing will  
5           reconvene at 08:00 tomorrow. Thank  
6           you.

7                   \* \* \* \* \*

8           (Whereupon, the hearing was adjourned at 6:38  
9           p.m.)

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1                   R E P O R T E R ' S   P A G E

2                   I, DOROTHY N. GROS, Certified Court

3   Reporter in and for the State of Louisiana,

4   the officer, as defined in Rule 28 of the

5   Federal Rules of Civil Procedure and/or

6   Article 1434(B) of the Louisiana Code of Civil

7   Procedure, before who this sworn testimony was

8   taken, do hereby state on the Record:

9                   That due to the interaction in the

10   spontaneous discourse of this proceeding,

11   dashes (--) have been used to indicate pauses,

12   changes in thought, and/or talk overs; that

13   same is the proper method for a Court

14   Reporter's transcription of proceeding, and

15   that the dashes (--) do not indicate that

16   words or phrases have been left out of this

17   transcript;

18                   That any words and/or names which could

19   not be verified through references material

20 have been denoted with the phrase

21 "(phonetic)".

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DOROTHY N. GROS, CCR

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C E R T I F I C A T E

I, Dorothy N. Gros, Certified Court  
Reporter, in and for the State of Louisiana,  
authorized by the laws of said State to  
administer oaths and to take the depositions  
of witnesses, hereby certify that the  
foregoing matter was taken before me at the  
time and place herein above stated; the matter  
being reported by me and thereafter  
transcribed under my supervision; that the  
foregoing pages contain a true and correct  
transcription of the matter as thus given to  
the best of my ability and understanding.

I further certify that I am not of  
counsel nor related to any of the parties to  
this cause, and that I am in no wise

20 interested in the result of said cause.

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1                   DOROTHY N. GROS, CCR

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