

**United States House of Representatives
Committee on Natural Resources
October 13, 2011**

**Oversight Hearing on the BOEMRE/U.S. Coast Guard Joint
Investigation Team Report**

**Bill Ambrose, Managing Director, North America Division,
Transocean Offshore Deepwater Drilling Incorporated**

Chairman Hastings, Ranking Member Markey, and other members of the Committee, thank you for the opportunity to appear before your panel today.

My name is Bill Ambrose, and I am Managing Director of the North America Division at Transocean Offshore Deepwater Drilling Incorporated. I also led Transocean's internal investigation into the Macondo incident of April 20, 2010. The findings of that investigation were published in June 2011, and I am grateful for the opportunity to highlight some of those for the Committee today as the Committee reviews the final report of the Bureau of Ocean Energy, Management, Regulation and Enforcement (BOEMRE) and the U.S. Coast Guard (USCG) Joint Investigation Team (JIT).

First and foremost let me state that the last 17 months have been a time of great sorrow and reflection for our Company. Nothing is more important to Transocean than the safety of its employees and crew members, and our thoughts and prayers continue to be with the widows, parents and children of the 11 crew members who died on April 20, 2010.

This period has also been one of intense effort on the part of our Company and numerous investigative and oversight entities, including this Committee, to get to the bottom of what caused this tragedy.

To that end, Transocean formed an internal investigative team comprised of dedicated Transocean personnel and numerous independent industry experts. Transocean provided the investigation team with the resources necessary to produce a thorough investigation of the incident.

Following the incident, Transocean issued Alert Number 114 to its global fleet to ensure that BOP schematics reflect the current arrangements of

each rig's BOP. Alert Number 114 also reinforced our emergency response preparedness.

We have also designed standardized procedures for conducting negative pressure tests for operators. In consultation with our customers, we have enhanced our well integrity guidelines. Further, the Company has expanded the scope of its internal audit and assessment program and updated its well control manual to reflect lessons learned.

We continue to study the appropriateness and reliability of acoustic control systems for the BOP, and we continue to evaluate potential equipment and procedures for early kick detection and the handling of gas in the riser.

Transocean remains ready and willing to assist your Committee as this important work moves forward. However, we are unable to respond to specific findings and conclusions of the U.S. Coast Guard and BOEMRE reports. The Joint Investigation Team (JIT) Convening Order incorporates for both the U.S. Coast Guard and BOEMRE the provisions of 46 U.S.C. § 6308 (a), which prohibits the use of reports in any proceeding other than the administrative proceedings initiated by the United States. The BOEMRE report acknowledges this limitation at page 10:

The Convening Order provides that relevant statutes and regulations relating to both the USCG and BOEMRE govern the JIT and that the JIT's public hearings be conducted in accordance with the USCG's rules and procedures relating to Marine Boards of Investigations.

Lastly, the BOEMRE proceedings are still active in the litigation process and therefore I cannot discuss them.

Again, on behalf of Transocean, I am pleased to discuss the facts as we know them to further understand what occurred on the night of April 20, 2010, and what we can do to prevent its reoccurrence.