

**Secretary Salazar Remarks As Prepared for Delivery
Conference on Strengthening Deepwater Blowout Containment Capabilities
September 22, 2010**

Good afternoon and thank you all for joining us.

Four days ago, on Sunday, September 19, 2010, in our daily U.S.–BP call, the coroners declared the Macondo well effectively dead. This conclusion was based on a successful pressure test on the relief well, concluded at 5:56 AM that morning.

With the death of the Macondo well, we turned an important page on the Deepwater Horizon oil spill.

Thanks to Admiral Allen and the relentless and tireless work of the U.S. team that Secretary Chu and I led – including many federal scientists and the professionals of the Department of Energy, the United States Geological Survey, and the Bureau of Ocean Energy Management, Regulation, and Enforcement - the Macondo well poses no continuing threat to the Gulf of Mexico and our coastlines.

The effort to kill the well challenged the best and brightest minds in the public and private sectors. The complex subsea operation tested the limits of the oil and gas

industry and the U.S. government's technology and expertise. And it required trial and error where there was no room for error.

In short, the Deepwater Horizon oil spill laid bare shortcomings in offshore drilling safety, spill response capabilities, and blowout containment practices.

That is why, in the five months since the Deepwater Horizon exploded, the Obama administration has executed the most aggressive offshore drilling reforms in our country's history.

Our goal is simple: to raise the bar on safety and environmental protections to prevent these kinds of disasters from happening again and to be sure that deepwater drilling can safely resume.

To achieve that goal, we have implemented tough new requirements for inspecting and testing blowout preventers, and casing and cementing wells.

We have launched a new environmental analysis of the Gulf that will help guide future development decisions – and we are requiring Interior's agencies to complete more robust environmental review of proposed deepwater drilling projects.

We are dividing the conflicting missions of the agency once known as the Minerals Management Service so that officials who are leasing offshore areas for

development are separate from those responsible for policing offshore energy operations.

We are substantially increasing the number of inspectors for offshore oil and gas drilling rigs and platforms and the resources available to them.

And we are requiring companies that want to drill to prove in their exploration plans that they are prepared to respond to catastrophic blowouts and oil spills on the magnitude of Deepwater Horizon.

Ultimately, however, to achieve our objective of safer offshore energy production, we must eliminate the gap between the technology and knowledge that allows oil and gas companies to tap reserves in deep waters - and the technologies and strategies that allow us to deal with emergencies at those depths.

BP's failed first attempts to contain the blowout — from the “containment dome” to the “top hat” — exposed the industry's lack of preparedness for such a disaster.

In fact, the oil and gas industry's inadequate preparedness is one of the reasons the current deepwater drilling pause is so important.

So today, Secretary Chu and I have convened this meeting to discuss the increased understanding we now have on how to strengthen blowout containment capabilities.

We have the benefit of the insight and expertise of many senior leaders here today, including BOEM Director Michael Bromwich, who has held eight forums across the country to discuss industry's safety, spill response and blowout containment capabilities in deep waters.

Director Bromwich is currently analyzing the information he has collected and is developing recommendations on whether and how to adjust the temporary deepwater drilling suspension. He will deliver a report to me in the very near future.

We have several other top U.S. government scientists and key industry and stakeholder leaders with us today. They will share their insights with us, and I'd like to recognize now those sitting with me on the dais:

- Secretary Chu
- Dr. Marcia McNutt; Director, United States Geological Survey
- Thad Allen, Retired Admiral and National Incident Commander
- Dr. Tom Hunter; former Director, Sandia National Laboratory
- Rear Admiral Brian M. Salerno; Deputy Commandant for Operations, United States Coast Guard
- David Hayes (moderator)

The second panel, moderated by the Director of the Bureau of Ocean, Energy and Management Michael Bromwich, will offer insight from industry and key stakeholders:

- Andrew Inglis, BP Chief Executive of Exploration & Production
- Rex Tillerson, ExxonMobil Chairman & CEO
- Hon. Don Winter, PhD, National Academy of Engineering
- Elgie Holstein, Environmental Defense Fund

I expect we will hear from industry on the oil spill response group formed this summer by Exxon Mobil, Royal Dutch Shell, ConocoPhillips and Chevron. BP is making its well containment equipment and technical personnel available. I look forward to that discussion.

I also look forward to hearing from some of the U.S. government's top experts and leaders who have been involved in the Deepwater Horizon response and who can give us perspective on how government can ensure industry has the containment capability in place to deal with an uncontrolled blowout.

It is my hope that today's discussion will help guide reforms that are raising the bar for the oil and gas industry's practices, as well as to help inform recommendations on whether and how to lift the current deepwater drilling suspension. It is my hope that in the legacy of the BP oil spill will be to create the gold standard for drilling

and production of oil and gas in the Outer Continental Shelf in a manner that is safe and protects our environment.

I look forward to hearing from everyone this afternoon.