



DEEPWATER HORIZON: BEHIND THE CURTAIN

DEEPWATER HORIZON EXPLOSION & BP OIL SPILL

2010

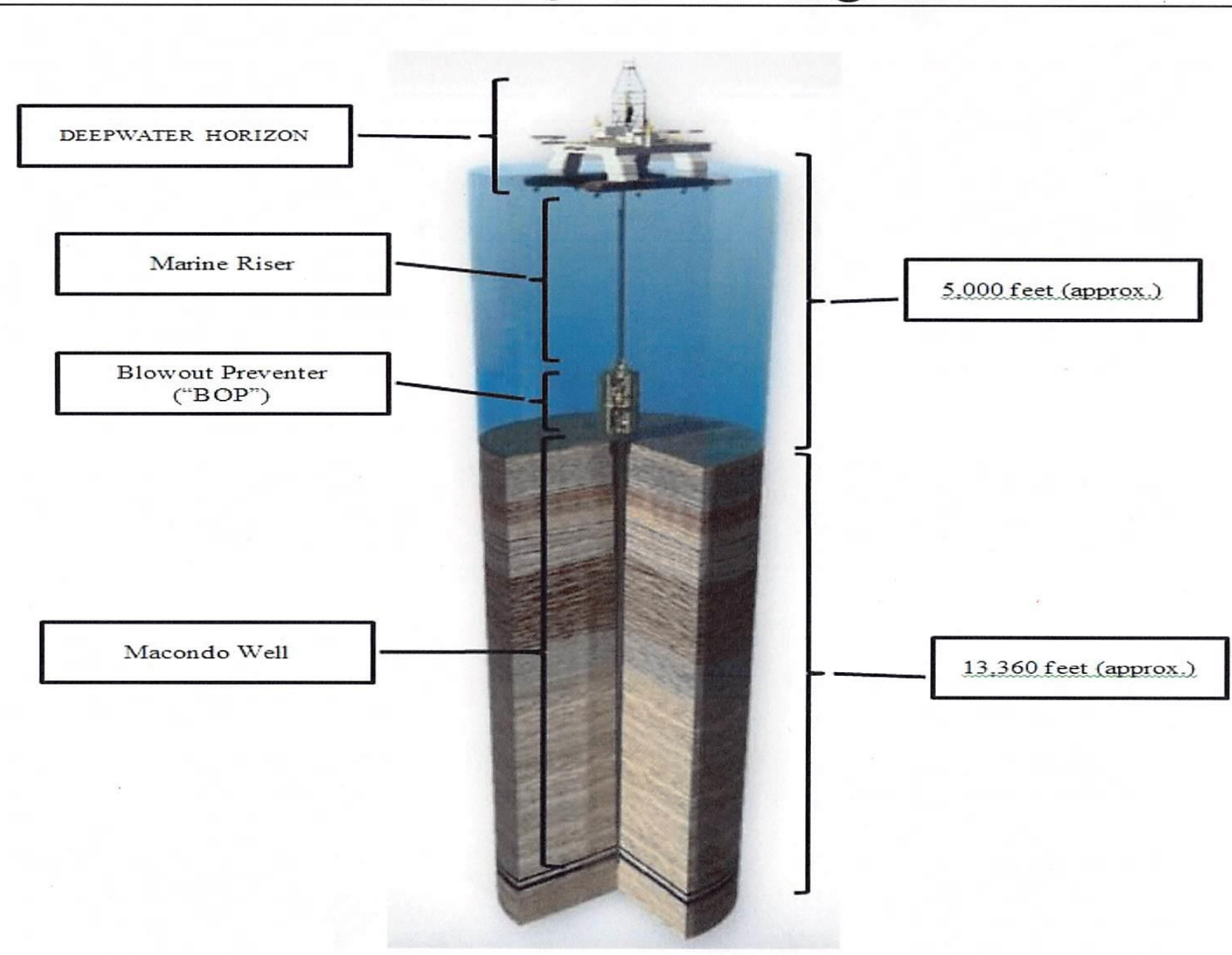
4WWL
65 YEARS

Witness
News 4

DEEPWATER HORIZON

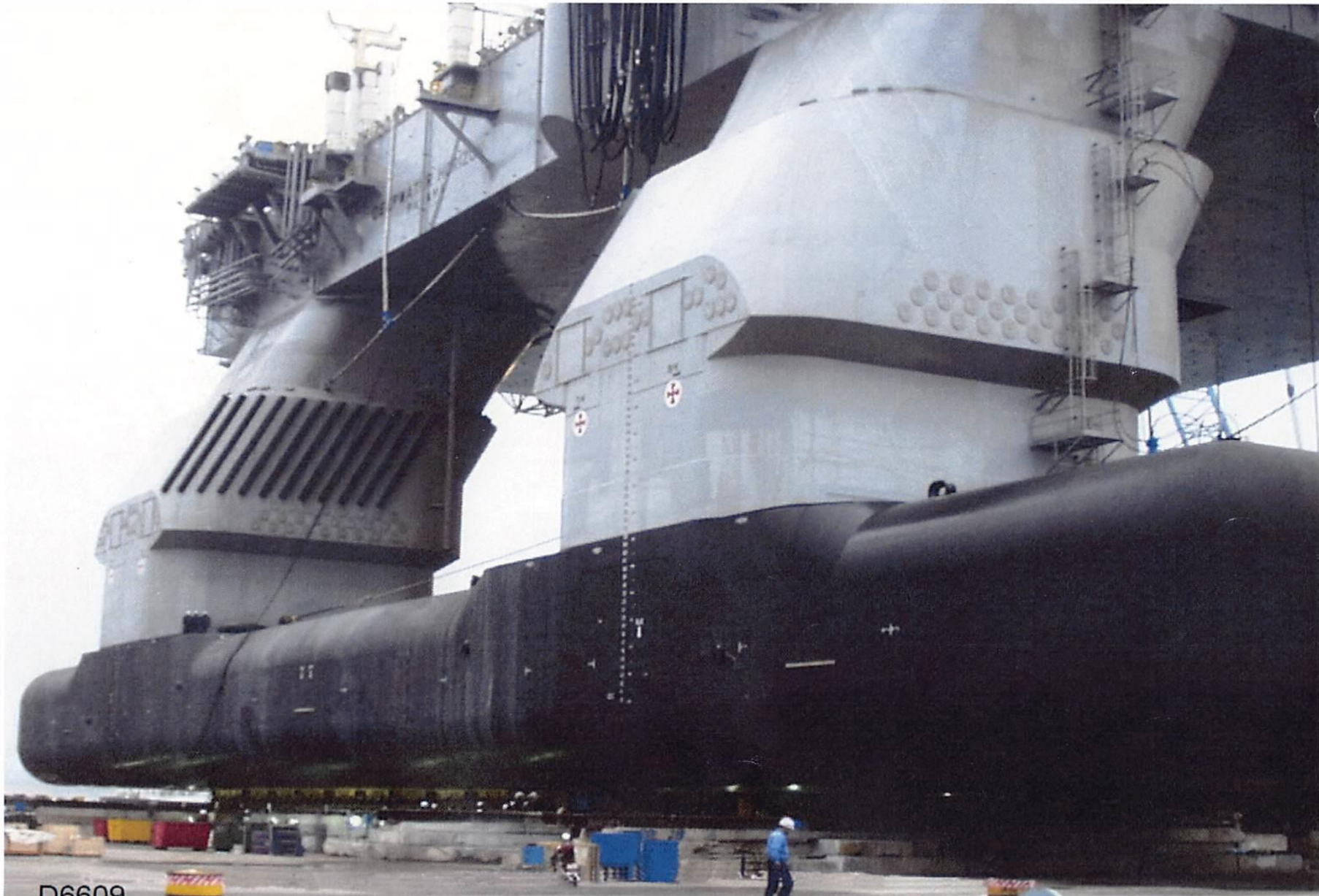


HORIZON/BOP/Well Configuration



HORIZON: A Massive Craft

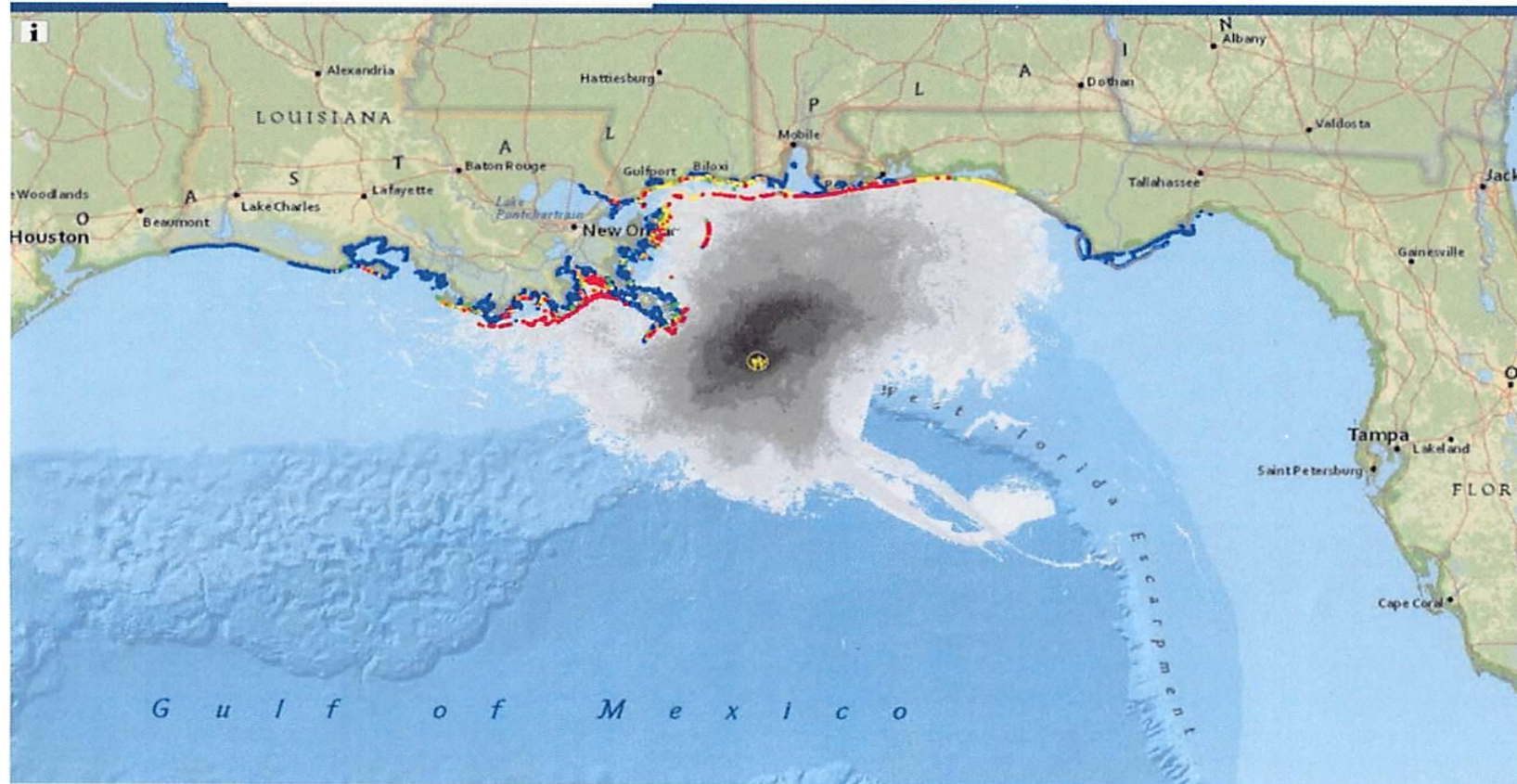
(Showing DWH Under Construction in S. Korea)



DEEPWATER HORIZON, 4/20/10 – 4/22/10

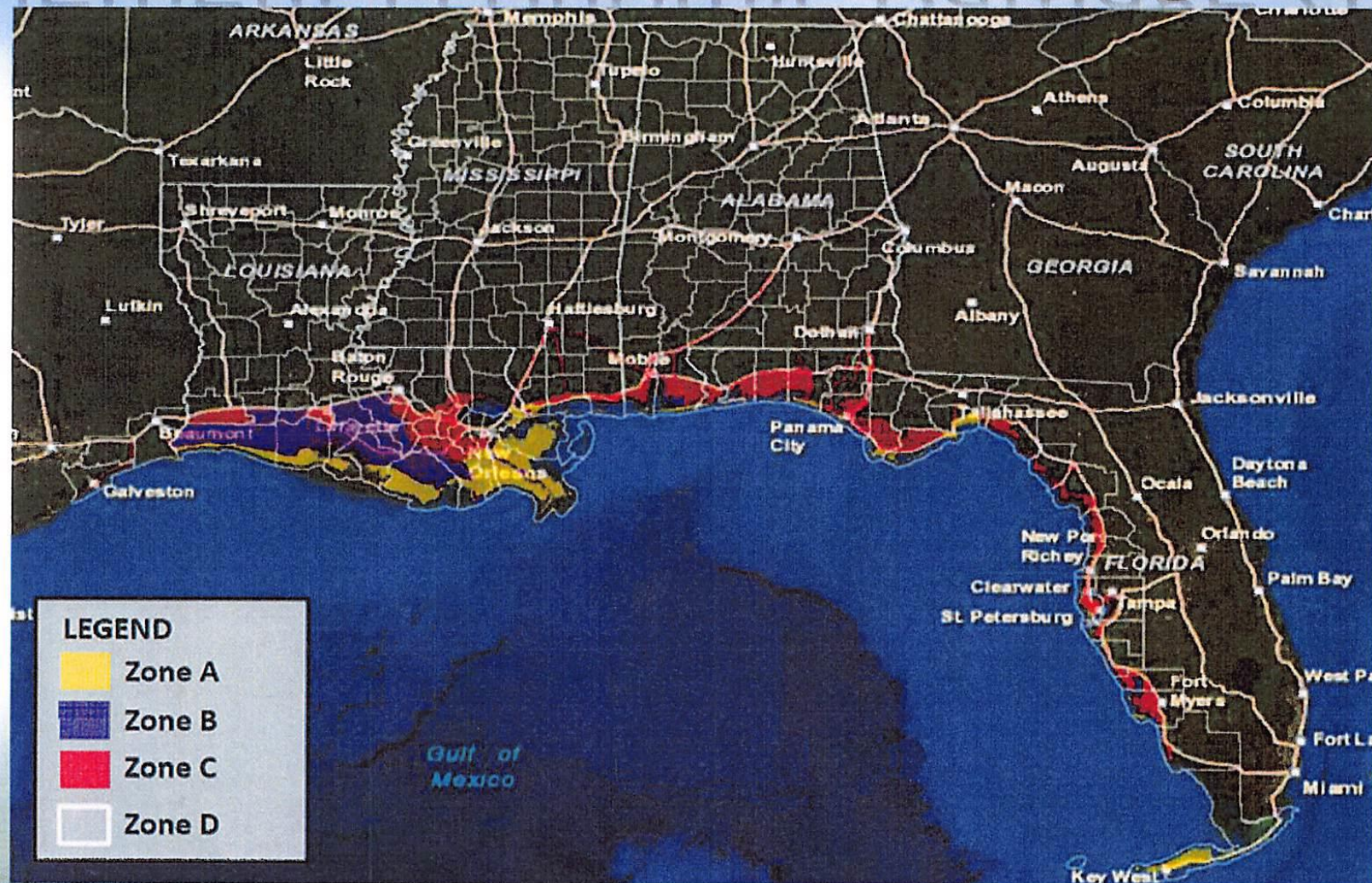


Size of the Oil Spill



- 3.19 million barrels of oil discharged into the Gulf of Mexico
- 1,100 miles of coast visibly oiled to some extent, 220 miles of which were “heavily” oiled.
- 45,000 to 65,000 square miles of surface waters visibly oiled at some point.

Settlement Economic Damage Zones



From: Michael Juneau (mailto:mjuneau@dhedclaims.com)
Sent: Tuesday, September 25, 2012 2:17 PM
To: mark.holstein@bp.com; keith.moskowitz@snrdenton.com; jimr@wrighttroy.com; sherman@hhkc.com
Cc: Christine Reitano <creitano@dhedclaims.com>; Patrick Juneau <pjuneau@dhedclaims.com>
Subject: RE: Request for Parties' Positions - NO LATER THAN 12:00 NOON, SEPTEMBER 28, 2012
Importance: High

Hypothetical

Counselors:

Please provide the Claims Administrator's office (copies to all of the above) with your respective interpretations of the Settlement Agreement, providing citations to any *specific* language in the Settlement Agreement that you contend addresses the following issue:

As to BEL claims, once a claimant's financial records satisfy the causation standards set out in Exhibit 4B, does the Settlement Agreement mandate and/or allow the Claims Administrator to separate out losses attributable to the oil spill vs. those that are not? Stated another way, once a claimant passes the causation threshold, is the claimant entitled to recovery of *all* losses as per the formula set out in Exhibit 4C, or is some consideration to be given so as to exclude those losses clearly unrelated to the spill?

I will give a hypothetical situations to try to illustrate the question we are asking:

Hypo: A small accounting corporation / firm is located in Zone B. They meet the "V-shaped curve" causation test. The explanation for the drop in revenue is that one of the three partners went out on medical leave right around the time of the spill. Their work output, and corresponding income, thus went down by about a third. The income went back up 6 months later when the missing partner returned from medical leave. Applying the compensation formula under Exhibit 4C of the Settlement Agreement, the accounting firm can calculate a fairly substantial loss. Is that full loss recoverable?

Please submit any position paper you wish to present on this issue no later than **12:00 noon, central time, Friday, September 28, 2012**. Given the ongoing efforts to process the program's claims as expeditiously as possible in light of certain impending court deadlines, we are not in a position to consider any position statements submitted after that deadline. Thank you.

Michael J. Juneau
Special Counsel

**DEEPWATER HORIZON
CLAIMS CENTER**
ECONOMIC & PROPERTY DAMAGE CLAIMS
504-934-4999
935 Gravier Street, Ste. 1905
New Orleans, LA 70112
mjuneau@dhedclaims.com

BP Reply

From: Moskowitz, Keith [mailto:keith.moskowitz@snrdenton.com]

Sent: Friday, September 28, 2012 11:13 AM

To: 'Steve Herman' <SHERMAN@hhklawfirm.com>; 'Michael Juneau' <mjuneau@dheclaims.com>

Cc: James Roy <JIMR@wrightroy.com>; Christine Reitano <creitano@dheclaims.com>; Orran L. Brown <OBrown@browngreer.com>; Lynn Greer <LGreer@browngreer.com>; mark.Holstein@bp.com; Moskowitz, Keith <keith.moskowitz@snrdenton.com>

Subject: RE: BP Oil - Request for Parties' Positions - NO LATER THAN 12:00 NOON, SEPTEMBER 28, 2012 - (further)
Mike,

BP provides the following response to the question set forth in your email below.

If a claimant has submitted the required documentation under the Business Economic Loss ("BEL") Documentation Requirements (Settlement Agreement Ex. 4A), and those documents and any additional detail information the Settlement Facility has determined is necessary to verify the accuracy of the financial data submitted by the claimant establish that the claim satisfies the requirements of the BEL Causation Framework (Ex. 4B), then Claimant Compensation should be calculated pursuant to the provisions of the BEL Compensation Framework Ex. 4C. If the accurate financial data establish that the claimant satisfies the BEL causation requirement, then all losses calculated in accord with Ex. 4C are presumed to be attributable to the Oil Spill.

Nothing in the BEL Causation Framework (Ex. 4B) or Compensation Framework (Ex. 4C) provides for an offset where the claimant firm's revenue decline (and recovery, if applicable) satisfies the causation test but extraneous non-financial data indicates that the decline was attributable to a factor wholly unrelated to the Oil Spill. Such "false positives" are an inevitable concomitant of an objective quantitative, data-based test. However, they should be relatively rare.

It is important to emphasize that BP is not saying that the Settlement Program should not scrutinize carefully financial information submitted by claimants for anomalous results that may be due to data entry errors or recording of revenue or expense in the wrong period. To the contrary, where unusual or surprising results of this sort are noted, the Settlement Program must review the data and additional supporting documents it may deem necessary to determine whether the data are accurate. The documentation requirements of Ex. 4A, including but not limited to federal income tax returns, certain local hospitality and sales tax documents, and monthly and annual financial statements (see items 3 - 5) all are intended to facilitate such review for accuracy.

Best,

Keith

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Suite 7800
Chicago, IL 60606-6306

Court Confirmation of Agreement

-----Original Message-----

From: Carl_Barbier@laed.uscourts.gov [mailto:Carl_Barbier@laed.uscourts.gov]

Sent: Wednesday, December 12, 2012 3:23 PM

To: richard.godfrey@kirkland.com; Mark.Holstein@bp.com; jimr@wrightroy.com; sherman@hhkc.com; pjuneau@dheclaims.com; Michael Juneau <mjuneau@dheclaims.com>

Cc: Sally_Shushan@laed.uscourts.gov; Ben_Allums@laed.uscourts.gov

Subject: Meeting today re non-profits and SIP

Gentlemen,

This will serve to confirm our discussion this morning.

The Court discussed with counsel for BP, the PSC and the Claims Administrator issues relating to the claims administrator's interpretation of the economic settlement agreement as it relates to non-profit entities.

After discussion, the Court upheld the claims administrator's interpretation as set forth in his November 30, 2012 memorandum to the Court ("In Camera Referral of Unresolved Issue #1 - Not-for-Profits")

There was further discussion regarding the proposed Supplemental Information Program. The Court advised the parties that it agreed with BP that there was no need for a new website, and that the Court would not approve the commencement of this supplemental program until it issues an order of final approval for the settlement. The Court further instructed the parties to meet and confer to attempt to resolve any remaining issues with respect to the SIP.

Counsel for BP and the PSC agree with the Claims Administrator's objective analysis of causation with respect to his evaluation of economic damage claims, as previously set forth by Mr. Juneau in paragraph 2 of his October 10, 2012 policy announcement.

Thank you for your continued cooperation, and with wishes for a happy holiday season,

Carl Barbier

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Joe Nocera:

Louisiana-style justice has been a disaster for BP

- So a group of lawyers persuaded their clients to skip the Feinberg process and sue BP. In March 2012, BP settled with those lawyers. As a condition for settling, the plaintiffs' lawyers insisted that Feinberg be replaced by Patrick Juneau, a good-ol'-boy plaintiffs' lawyer. BP also agreed to expand the potential universe of claimants, knowing full well that this would likely mean that people whose economic losses had no connection to the spill would receive "compensation." It estimated that the settlement would cost it an additional \$7.8 billion.
- When London-based BP complained to Judge Carl Barbier, it got nowhere. Do I need to mention that Barbier is a former Louisiana plaintiffs' lawyer? He was once the president of Louisiana Trial Lawyers Association. How cozy is that?
- We like to talk about our belief in the rule of law, but the truth is that what is going on in Louisiana is not all that different from when a corrupt Russian official creates a fake tax liability to line his pockets at the expense of some hapless company. "This is Louisiana, after all," a plaintiffs' lawyer said recently. "A big foreign company with deep pockets, and you're surprised there's a feeding frenzy? Come on, man."
- Vladimir Putin couldn't have put it better himself.

BP Full Page Ad

- New York Times
- Wall Street Journal
- Washington Post

Would you approve these claims?

The Gulf Settlement Program did.



Claims XXXX51 et al.: Four colorectal surgeons from the same practice submitted individual claims for lost income to the Gulf Settlement Program. Two of the surgeons provided sworn statements for the other surgeons stating that their losses were due to the spill. Their practice is located over 300 miles from the Gulf and performs services that do not have any apparent connection to the spill. The claimants were **paid more than \$60,000 in total.**

Claims submitted by colorectal surgeons. From a practice that is hundreds of miles from the Gulf. Backed up by statements from each other. With no apparent connection to the spill.

Despite these obvious red flags, the Gulf Settlement Program approved and paid these claims anyway. Without adequate investigation or sufficient backup documentation. The fact is that **thousands of undeserving claims like these – totaling over half a billion dollars – have already been awarded.**

We'll continue fighting to stop all abuses of the settlement and return the claims process to doing what it was intended to do: paying the legitimate claims of people and businesses who suffered real financial losses from the spill.

For more, go to theStateoftheGulf.com or follow [@StateoftheGulf](https://twitter.com/StateoftheGulf).



Would you pay this Claim?

The Gulf Settlement Program did.

Claim XXXX89: A global nuclear consultant submitted a claim for lost income to the Gulf Settlement Program. The business has clients all over the world and performs services that could not possibly have been affected by the spill. The claim submitted also showed the company's revenue and profits were higher in the year of the spill than any other year from 2007 to 2011. The claimant was **awarded more than \$510,000.**

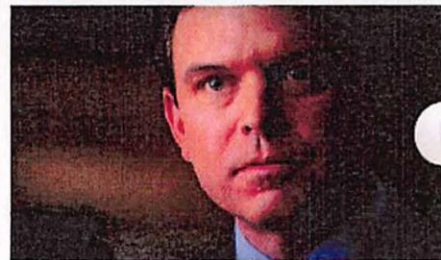
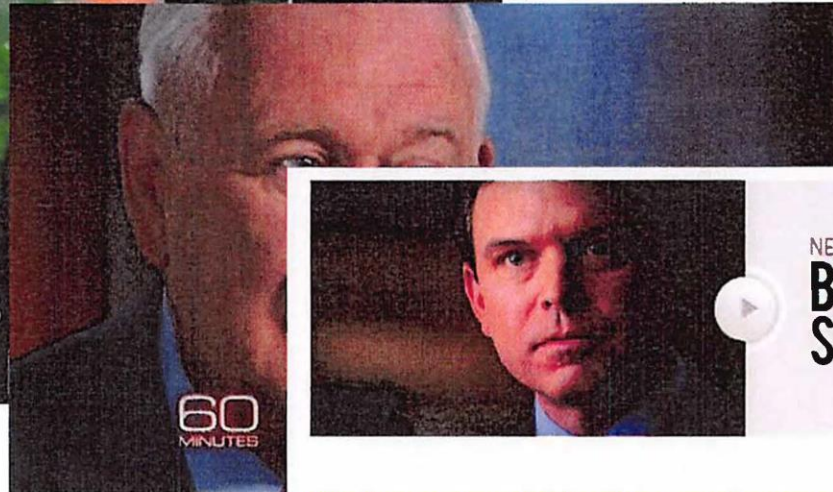
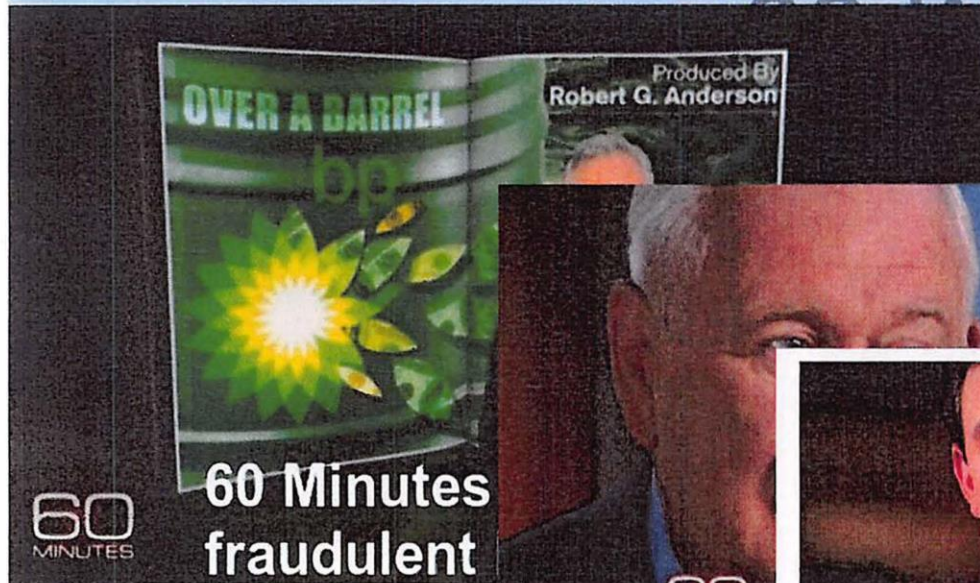
A claim from a company with a global business. For alleged losses in the company's most profitable period in years. With no apparent connection to the spill. Paid in full.

How could this happen?

Despite these obvious red flags, the Gulf Settlement Program pushed this claim through to payment. Without adequate investigation or sufficient backup documentation. Indeed, the claimant even argued that whether it was affected by the spill is irrelevant. **The fact is that thousands of undeserving claims like this – totaling over half a billion dollars – have already been paid.**

We'll continue fighting to stop all abuses of the settlement and return the claims process to doing what it was intended to do: paying the legitimate claims of people and businesses who suffered real financial losses from the spill.

60 Minutes



NEWSMAKERS

BP CRIES FOUL IN MASSIVE OIL SPILL SETTLEMENT

BP claims that \$500 million of the money it set aside to compensate victims of its 2010 oil spill has been awarded to businesses that don't deserve it. Among the unwarranted claims, says BP, were an escort service in Florida, a surgical practice 300 miles from the spill and a wireless phone company that burned to the ground before the spill occurred. Scott Pelley reports the latest twist in this story that began with an oil rig explosion that killed 11 and polluted the Gulf of Mexico with over 200 million gallons of oil. Pelley's report will be broadcast on 60 Minutes, Sunday May 4 at 7 p.m. ET/PT.

Political thrills and oil spills: How Geoff Morrell is helping BP take back its story



“To draw attention to the problem, BP took out full-page ads in *The New York Times*, *The Washington Post*, and *The Wall Street Journal* twice a week for several weeks – ‘which were very expensive, unconventional, and risky, because we were essentially the villain playing the victim,’ says Morrell. The ads got the attention BP desired, with coverage in *Bloomberg Businessweek* and a big feature on 60 Minutes fronted by Morrell himself, which resulted in reforms within the system that significantly reduced the problem.”

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

In re: Oil Spill by the Oil Rig
"Deepwater Horizon" in the Gulf
Of Mexico, on April 20, 2010

Applies to:
No. 12-970

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MDL No. 2179

SECTION: J

JUDGE BARBIER

MAG. JUDGE WILKINSON

ORDER

It has been brought to the Court's attention that Claims Administrator Patrick A. Juneau is presently in need of some well-deserved rest and down time, following a recent ill-advised duck hunting trip during extremely cold and rainy weather. Despite advice to the contrary; and knowing Mr. Juneau as well as we do, it is obvious that he intends to attempt to return to the City of New Orleans sometime this week. Accordingly, the Court finds that its intervention is urgently warranted, and therefore,

IT IS ORDERED that the said Patrick A. Juneau is hereby prohibited from setting foot within the City of New Orleans for the duration of this calendar week. Further, Mr. Juneau shall abide by the advice and instructions from his better half, Truly Juneau, as well as that of his adult children (in particular his son Patrick, Jr., a medical doctor).

Retired Magistrate Judge Sally Shushan is appointed as ad hoc Special Master for the purpose of enforcing this Order and immediately reporting to the Court any violations.

New Orleans, Louisiana, this 10th day of January, 2017.

United States District Judge

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

In re: Oil Spill by the Oil Rig
"Deepwater Horizon" in the Gulf
Of Mexico, on April 20, 2010

Applies to:
No. 12-970

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MDL No. 2179

SECTION: J

JUDGE BARBIER

MAG. JUDGE WILKINSON

ORDER

The Court is now advised that Special Master Juneau fully complied with the previous order prohibiting him from entering the City of New Orleans last week. As an unintended consequence, his better half, Truly Juneau, has endured an entire week of having Mr. Juneau sitting in his house watching too many episodes of "Doctor Phil" and now requests that the Court take necessary action to see that her suffering promptly ends.

Accordingly, knowing that Mr. Juneau has fully recovered from his ill-advised duck hunting trip and is fully capable of resuming his normal daily activities,

IT IS ORDERED that the said Patrick A. Juneau stop watching Dr. Phil, and return to his normal duties in the New Orleans CSSP claims office immediately, if not sooner. Special Master Shushan and the Juneau family shall ensure that this Order is carried out forthwith!

New Orleans, Louisiana, this 17th day of January, 2017.

United States District Judge

