

CLAYTON UTZ

Sydney Melbourne Brisbane Perth Canberra Darwin

Confidential

By email

Andrew Berger / Joanna Blair
The Executive Officer
Montara Inquiry
c/- Level 1
51 Allara Street
Canberra ACT

27 May 2010

Our ref 60005/16950/80097071

Dear Sir/Madam

Commission of Inquiry: Montara Wellhead Platform Uncontrolled Hydrocarbon Release (Commission)

Atlas Drilling (S) Pte Ltd and Seadrill Management (S) Pte Ltd (**Atlas**) make the following comments concerning the submissions received by the Commission from PTTEPAA (**PTT Submission**), Chris Wilson (**Wilson Submission**) and Paul O'Shea (**O'Shea Submission**) in response to the Commission's draft findings on the circumstances and likely causes of the blowout (**Draft Preliminary Findings**).

It will be apparent from Atlas' previous submissions that Atlas takes issue with a significant portion of the PTT Submission. Atlas does not propose to repeat all of its submissions in that regard, but confines itself to the following brief comments. In doing so, Atlas should not be taken to accept any submission of PTT, Mr Wilson or Mr O'Shea (or any submission of any other party which has been provided to Atlas) that is not specifically referred to below.

In these comments, Atlas makes reference to its previous submissions to the Commission dated 22 April 2010 (**Atlas 22 April Submission**) and 18 May 2010 (**Atlas 18 May Submission**).

A PTT Submission

In this section, references to item numbers are references to the number column in the table setting out the PTT Submission.

1. Item 1: No amendment to the findings at paragraph 1.3(a) is required. As recognized in the Draft Preliminary Findings the evidence was clear that Atlas was not involved in the installation of the cemented shoe in the 9 5/8" casing of H1. Atlas refers to and relies on section B of the Atlas 18 May Submission.
2. Item 4: No amendment to the findings at paragraph 1.3(e) is required. Mr Trueman's position in relation to the non-reinstallation of the 9 5/8" PCCC is properly and adequately set out in paragraphs 1.198 to 1.203. Atlas previously made submissions in relation to these issues prior to the release of the Draft Preliminary Findings in paragraphs 38 to 50 of the Atlas 22 April Submission.
3. Item 73: Atlas refers to Section M of the Atlas 18 May Submission.

CLAYTON UTZ

Sydney Melbourne Brisbane Perth Canberra Darwin

Andrew Berger / Joanna Blair, Montara Inquiry

27 May 2010

4. Item 74: Atlas refers to section B of the Atlas 18 May Submission in relation to the role of Atlas in the cementing operation and to section M of the Atlas 18 May Submission in relation to the SIMOPS regime.
5. Item 81: The question whether there was "marginalising of the OIM's role" is not, as the PTT submission suggests, answered by reference to general statements of responsibility, but by the practical events on the rig (see Jacobs at T1798-1800).
6. Item 91: Atlas again draws the Commission's attention to section B of the Atlas 18 May Submission in relation to Atlas' role in the cementing operations.
7. Item 92: There was no evidence presented before the Commission that there was a significant shortfall, or indeed any shortfall, in the level of expertise of Atlas personnel with respect to well control.

B Wilson Submission

8. Dot point 18: Regarding paragraph 1.196 of the Draft Preliminary Findings Wilson states that "*For whatever reason it appears no morning meeting was held that day [20 August 2009] (likely because Mr Millar was unable to make it).*" No evidence was presented to the Commission suggesting that the reason the morning meeting did not occur was because Mr Millar was unable to attend. In his oral evidence Wilson expressly stated that he did not have a recollection of why the morning meeting did not occur and that the reason why the meeting did not occur was not written in his notes (T1190 and 1191).

C O'Shea Submission

9. Third last paragraph: The timing suggested in the O'Shea Submission does not accord with the evidence. The discovery of the non-installation of the 13 $\frac{3}{8}$ " PCCC and the corrosion of the 13 $\frac{3}{8}$ " casing thread and the decision to remove the 9 $\frac{5}{8}$ " PCCC all occurred between 8.00 am and 11.00 am (rig time) on 20 August 2009 (see DDR for 20 August 2009: SEA.001.005.2681, on the page ending in .2688).
10. The evidence supports the Draft Preliminary Findings in this regard. Although O'Shea informed Trueman (and Horne and Kok) that there was going to be a change in the forward plan, this discussion was only in broad terms and did not concern the specifics of the plan (T903 - 904). The specific details were only provided to Trueman when he received the supplementary forward plan at approximately 11:15 (Trueman draft proof paragraphs 29 and 31). The 9 5/8" PCCC was removed between 11:00 and 12:00 (as per the Daily Operations Report). Therefore the evidence does indicate that Trueman was not aware of the detail of the plan to remove the PCCC, nor could he have been aware of the decision not to provide for the reinstallation of the PCCC in the plan, until just prior to the removal of the PCCC.

If you have any queries in relation to the above please contact Nick Cooper.

Yours sincerely



Paul Fitzpatrick, Partner
+61 8 9426 8416
pfitzpatrick@claytonutz.com

Nick Cooper, Senior Associate
+61 8 9426 8228
ncooper@claytonutz.com