

**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**

MDL NO. 2179

SECTION: “J”

JUDGE BARBIER

**This Document Relates to:
No. 10-4536**

**MAGISTRATE JUDGE
SHUSHAN**

PROPOSED MARCH 23, 2016 MODIFICATIONS TO:

**JUNE 19, 2015 PROPOSED PERFORMANCE PLAN (AS APPROVED ON JULY 17,
2015) UNDER PARTIAL CONSENT DECREE BETWEEN THE PLAINTIFF UNITED
STATES OF AMERICA AND DEFENDANTS TRITON ASSET LEASING GMBH,
TRANSOCEAN HOLDINGS LLC, TRANSOCEAN OFFSHORE DEEPWATER
DRILLING INC., AND TRANSOCEAN DEEPWATER INC.**

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June 19, 2015

TRANSOCEAN'S PERFORMANCE PLAN FOR

MEASURES TO IMPROVE PERFORMANCE AND PREVENT RECURRENCE

A. Introduction

This document sets forth Transocean's implementation of the requirements in Paragraphs 14 through 23 of the February 19, 2013 Partial Consent Decree ("Consent Decree") between the Plaintiff the United States of America ("United States") and Defendants Triton Asset Leasing GMBH, Transocean Holdings LLC, Transocean Offshore Deepwater Drilling Inc., and Transocean Deepwater Inc. ("Transocean").

This Performance Plan is required by Paragraph 14.e. of the Consent Decree. The Consent Decree includes requirements that apply to this Performance Plan including but not limited to Applicability (Article 2), Definitions (Article 3), Annual Report (Paragraph 31.a.), Certification (Paragraph 33); and Effect of Settlement and Reservation of Rights (Article 14).

Section B. of this Performance Plan is organized by the specific numbered paragraphs in the Consent Decree. For Paragraphs 14 through 23 of the Consent Decree, this Performance Plan contains three sub-sections: "Implementation," which sets forth the specific actions that Transocean will undertake to meet the requirements of the Consent Decree; "Milestones and Deliverables," which identifies the timeframes and submissions associated with the specific actions identified in "Implementation"; and "Annual Report," which identifies what information, at a minimum, shall be included in the Annual Report required by Paragraph 31.a. of the Consent Decree.

This Performance Plan is Transocean's plan for implementing and meeting the requirements of Paragraphs 14 through 23 of the Consent Decree. This Performance Plan is a requirement of the Consent Decree, and shall be enforceable by the Court. Nothing in this Performance Plan relieves Transocean of complying with the requirements of the Consent Decree. If there is an inconsistency between the Consent Decree and this Performance Plan, the Consent Decree shall govern.

B. Transocean's Implementation Measures to Meet the Requirements of the Consent Decree

14. General Terms

14.a. Compliance and Implementation

1. Implementation

- a. As provided in this Performance Plan, Transocean shall implement or cause to be implemented, including through employees, affiliates, or contractors, the injunctive relief requirements imposed in the Consent Decree for all Drilling

Operations in Waters of the United States in accordance with the requirements of the Consent Decree, within the deadlines in this Performance Plan.

- b. Transocean shall continue to implement or cause to be implemented the requirements of the Consent Decree and this Performance Plan for the duration of the Consent Decree.
 - c. Compliance with the requirements of the Consent Decree and this Performance Plan by any one or more of the Transocean affiliates shall satisfy the requirements of the Consent Decree for all the Transocean affiliates.
2. Milestones and Deliverables
 - a. See “Annual Report” below.
 3. Annual Report
 - a. The Annual Report shall include documentation showing that throughout the prior calendar year, Transocean has implemented or caused to be implemented, including through employees, affiliates, or contractors, the injunctive relief requirements imposed in the Consent Decree for all Drilling Operations in Waters of the United States in accordance with the requirements of the Consent Decree and this Performance Plan, within the deadlines in this Performance Plan.

14.b. Postings to the Public Web Site

1. Implementation
 - a. Subject to Paragraph 14.c. below, Transocean shall post to the Public Web Site (Paragraph 21.b.) all documents submitted to the United States pursuant to this Performance Plan.
2. Milestones and Deliverables
 - a. Subject to Paragraph 14.c. below, all documents submitted to the United States pursuant to the Consent Decree and this Performance Plan shall be posted to the Public Web Site at a minimum on an annual basis for each calendar year beginning with calendar year 2013, by April 2 of the following year.
3. Annual Report
 - a. Subject to Paragraph 14.c. below, the Annual Report shall include documentation showing that the implementation of the requirements of the Consent Decree, including all reports and all documents submitted to the United States during the prior year pursuant to the Consent Decree and this Performance Plan, were posted to the Public Web Site. The final Annual Report shall be posted to the Public Web Site on April 2 following the five (5) years of operation under a fully

approved Performance Plan and compliance with the requirements of Paragraph 84 of the Consent Decree.

14.c. Treatment of Information Asserted to be Either Trade Secrets or Confidential Information

1. Implementation

- a. In the event Transocean believes that any submission to the United States pursuant to the Consent Decree or the Performance Plan includes information that would be protected from public disclosure under Title 5 U.S.C. § 552(b)(4), i.e., trade secrets or confidential commercial information or confidential financial information, Transocean shall provide to the United States:
 - i. The unredacted submission;
 - ii. The unredacted submission with the information Transocean believes is protected from public disclosure clearly marked through highlighting or underlining;
 - iii. A discussion of how release of the marked information would likely result in substantial competitive or other business harm;
 - iv. A redacted submission that Transocean will post to the Public Web Site;
 - v. A discussion of how Transocean used its best efforts to supplement the item to be posted with information considered non-confidential in order to preserve as much of the informational value of the submission as possible, consistent with the confidentiality claims asserted; and
 - vi. A certification that the information is confidential and that to the best of the certifying individual's knowledge and belief, the information has not been disclosed to the public by Transocean and is non-public because it is not available to the public from other sources.
- b. Any requests for public disclosure of information claimed confidential or a trade secret under this paragraph shall be processed as provided in 43 C.F.R. Part 2. If Transocean's assertion of confidential information under the process provided in 43 C.F.R. Part 2 is found invalid after the legal process to which such assertion is entitled, Transocean shall, within 10 days, conform any affected Public Web Site submittal to that result.

2. Milestones and Deliverables

- a. If Transocean intends to claim that any information in a submission to the United States is confidential, Transocean will submit the required documentation as follows:

- i. No later than the day required by this Performance Plan:
 - (1) Transocean shall submit to the United States the unredacted submission. Transocean must indicate whether the submission includes information Transocean claims is confidential.
- ii. No later than 30 days after the unredacted submission is submitted to the United States, Transocean shall submit to the United States:
 - (1) The unredacted submission with the information Transocean believes is protected from public disclosure clearly marked through highlighting or underlining; and
 - (2) A discussion of how release of the marked information would likely result in substantial competitive or other business harm.
- iii. At least 30 days before any redacted submission is posted to the Public Web Site, Transocean shall submit to the United States:
 - (1) The redacted submission that Transocean will post to the Public Web Site;
 - (2) A discussion of how Transocean used its best efforts to supplement the item to be posted with information considered non-confidential in order to preserve as much of the informational value of the submission as possible, consistent with the confidentiality claims asserted; and
 - (3) A certification that the information is confidential and that to the best of the certifying individual's knowledge and belief, the information has not been disclosed to the public by Transocean and is non-public because it is not available to the public from other sources.

3. Annual Report

- a. The Annual Report shall include documentation showing that throughout the prior calendar year all information not posted to the Public Web Site pursuant to Paragraph 14.c. is confidential and that Transocean used its best efforts to supplement the documents posted with information considered non-confidential in order to preserve as much of the informational value of the submission as possible, consistent with the confidentiality claims asserted.

14.d. Timeframes

1. Implementation

- a. Transocean shall implement requirements in Article 6 of the Consent Decree pursuant to the timeframes in this Performance Plan.

2. Milestones and Deliverables

- a. See “Annual Report” below.

3. Annual Report

- a. The Annual Report shall include documentation showing that throughout the prior calendar year Transocean has submitted to the United States all documentation required by the Consent Decree and this Performance Plan pursuant to the timeframes in this Performance Plan.

14.e. Performance Plan

1. Implementation

- a. Transocean consulted with the United States in preparing this Performance Plan for the implementation of the requirements in Paragraphs 14 through 23 of the Consent Decree. This Performance Plan includes, among other things, and as necessary and appropriate, interim milestones covering each of the following areas: General Terms (Paragraph 14), Operational Oversight (Paragraph 15), Oil Spill Training (Paragraph 16), Oil Spill Exercises (Paragraph 17), Oil Spill Response Plans (Paragraph 18), Best Practices (Paragraph 19), Innovation (Paragraph 20), Transparency (Paragraph 21), Independent Consent Decree Compliance Auditor (Paragraph 22), and Process Safety, Including Independent Process Safety Consultant (Paragraph 23). This Performance Plan includes a schedule for all reports required under the Consent Decree and also includes due dates for any reports required but not already scheduled by the Consent Decree.
- b. Where the Consent Decree or this Performance Plan requires Transocean to provide information to the United States, the Performance Plan specifies one or more agencies or individuals to which such information shall be provided.
- c. Upon approval of this Performance Plan by the United States, Transocean shall comply with this Performance Plan.
- d. After approval of this Performance Plan, Transocean may request in writing that the United States approve modifications of the Performance Plan for good cause. Upon approval of a modification by the United States, the Transocean shall comply with the Performance Plan as modified.

2. Milestones and Deliverables

- a. On June 14, 2013, Transocean submitted a proposed Performance Plan for approval by the United States. The United States has reviewed the proposed Performance Plan pursuant to Paragraph 24 of the Consent Decree. Subsequently, Transocean submitted revised drafts of the proposed Performance Plan and provided additional comments. The United States has met with Transocean and discussed the proposed Performance Plan and provided comments and revisions to the proposed Performance Plan. The date on which the United States Department of Justice, by written notice, approves the Performance Plan is the date of Approval of the Performance Plan.
- b. All modifications to this Performance Plan shall be submitted to the United States for review and approval pursuant to the provisions in Paragraph 24 of the Consent Decree.
- c. Transocean shall make all submissions to the United States to the individuals identified in Appendix A to the approved Performance Plan. Appendix A to the approved Performance Plan, updates the Appendix A to the Consent Decree and complies with Paragraph 76 of the Consent Decree. Any recipient shown on Appendix A may, by written notice, change its designated notice address as provided above. Submissions sent pursuant to this Performance Plan shall be deemed given the day of transmittal and deemed received the day after transmittal.

3. Annual Report

- a. The Annual Report shall include a description of any Performance Plan modifications requested by Transocean during the prior calendar year.

15. Operational Oversight

15.a.1) Drilling Operations - Audit

1. Implementation

- a. Transocean shall not conduct any Drilling Operations unless Transocean designs, implements, and maintains an Audit-Review-and-Closeout Process overseen by Transocean's onshore management that:
 - i. Ensures the follow up and closeout of rig-specific audits; and
 - ii. Ensures that all material deficiencies related to a rig's Major Accidents and Hazard Risk Assessment ("MAHRA") identified in an audit are

corrected within sixty (60) days of identification, unless Transocean's supervising auditor¹ or manager agrees in writing to a longer time period.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall: 1) design and implement the Audit-Review-and-Closeout Process; 2) submit to the United States the Audit-Review-and-Closeout Process, and an explanation of how the Audit-Review-and-Closeout Process meets the specific requirements of the Consent Decree and the Performance Plan; and 3) submit to the United States the MAHRA for each rig operating in the Waters of the United States.
- b. Within ten (10) days of completion of an audit, Transocean shall submit notice to the United States in writing of any material deficiencies identified. The notification shall include a description of the material deficiency and the corrective action planned or undertaken.
- c. Within ten (10) days of the Transocean supervisory auditor or manager granting an extension for the correction of a material deficiency beyond the sixty (60) day correction requirement, Transocean shall submit written notice to the United States of the length of extension and the reasons for the extension.
- d. Transocean shall submit to the United States its records documenting completion of corrective actions for material deficiencies on a quarterly basis, within ten (10) days of the last day of March, June, September, and December of each calendar year.
- e. Within thirty (30) days of any revision to the Audit-and-Review-Closeout Process or the MAHRAs, Transocean shall submit to the United States: 1) the revised Audit-and-Review-Closeout Process and/or revised MAHRAs; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and this Performance Plan.

3. Annual Report

- a. The Annual Report shall include 1) a list of each audit performed during the prior calendar year; 2) a list of the material deficiencies identified, the date on which they were corrected, and the corrective action taken; 3) and a list of the extensions granted by the supervisory auditor or manager.

¹The auditor referred to in this section is a Transocean manager, not the Independent Consent Decree Auditor.

15.a.1) Drilling Operations - SEMS

1. Implementation

- a. Transocean shall not conduct any Drilling Operations unless Transocean develops a Management System which complies with Operators' Safety and Environmental Management System ("SEMS") for all Transocean's owned or operated rigs, vessels, and facilities operating in the Waters of the United States.
- b. Transocean shall certify that a Management System is in place that complies with SEMS.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall submit to the United States its current Management System, and a certification of its compliance with SEMS (30 C.F.R. Part 250 Subpart S, as amended), with the exception of gaps identified, if any.
- b. By March 1, 2014, Transocean shall submit to the United States Transocean's Management System and a certification of its compliance with SEMS (30 C.F.R. Part 250 Subpart S, as amended).
- c. Within thirty (30) days of any revision to the Management System, Transocean shall submit to the United States: 1) the revised Management System; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.

3. Annual Report

- a. The Annual Report shall include documentation showing that during the prior calendar year, Transocean's Management System complied with SEMS.

15.a.2) Drilling Operations – Stop-Work Authority

1. Implementation

- a. Transocean shall not conduct any Drilling Operations unless Transocean establishes a Stop-Work Authority procedure that:
 - i. Is consistent with International Safety Management ("ISM") code, SEMS, and federal regulatory requirements; and
 - ii. Grants all personnel and contractors the responsibility and authority, without fear of reprisal, to stop work on Transocean's rigs, vessels, or facilities, or decline to perform an assigned task when such person perceives any significant risk or danger exists (including but not limited to: loss of well control, spill, blowout, and/or loss of life).

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall develop and submit to the United States a “Time Out for Safety” procedure consistent with ISM code, SEMS, and federal regulatory requirements.
- b. By April 2, 2014, Transocean shall submit to the United States its Stop-Work Authority procedure including pilot testing.
- c. Transocean shall submit to the United States updates regarding developing and testing its Stop-Work Authority procedure on a quarterly basis, within ten (10) days of the last day of December 2013, and March 2014.
- d. Transocean shall implement the Stop-Work Authority procedure by June 1, 2014. Within ten (10) days of implementation, Transocean shall submit to the United States 1) the new Stop-Work Authority procedure and; 2) an explanation of how it differs from Transocean’s prior procedure and how it meets the specific requirements of the Consent Decree and the Performance Plan.
- e. Within thirty (30) days of any further revision to the Stop-Work Authority procedure, Transocean shall submit to the United States 1) the revised Stop-Work Authority procedure; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.

3. Annual Report

- a. Each Annual Report shall include a summary of the number and breakdown of Stop-Work Authority events occurring during the prior calendar year, including an analysis of trends over time, the duration of Stop-Work events, types and severity of events, and actions taken, if any, to prevent reoccurrence of the event and other pertinent information.

15.b. Blow Out Preventer (“BOP”) Certification

1. Implementation

- a. Transocean shall not conduct any Drilling Operations unless Transocean provides to the United States prior to the time of the initial deployment of the BOP on a well operation, written certification that:
 - i. Scheduled preventive maintenance provided by API Standard 53 for the BOP to be utilized has been performed;
 - ii. All repairs done to the BOP utilized only Original Equipment Manufacturer (“OEM”) parts, unless the OEM cannot supply the necessary part, and were completed by Competent Personnel as defined in the Consent Decree. Work completed by a person in Transocean’s training program satisfies this requirement as long as the trainee’s work is suited to his or her expertise and

level of progress in the training program, and the trainee is directly supervised at all times by a Competent Person;

- iii. All batteries used in the BOP emergency control systems (including, e.g., deadman, autoshear) have been maintained according to the OEM recommendations; and
- iv. The blind shear rams were surface tested in accordance with OEM specifications and regulatory requirements.

2. Milestones and Deliverables

- a. Transocean shall submit to the United States a certification signed by the Rig Manager prior to the initial deployment of a BOP on a well operation certifying that all of the requirements of Paragraph 15.b. of the Consent Decree are met.

3. Annual Report

- a. The Annual Report shall include documentation showing that Transocean timely submitted the certifications required by Paragraph 15.b. of the Consent Decree during the prior calendar year.

15.c. BOP Reports

15.c.1) BOP and Pipe Shearing Report

1. Implementation

- a. Transocean shall review commercially available, state-of-the-art BOP and pipe shearing technology, and prepare a report describing Transocean's use or rationale not to use such technology, including the technical feasibility and applicability to well control as well as the economic feasibility of the technology (cost-benefit analysis) ("BOP and Pipe Shearing Report").

2. Milestones and Deliverables

- a. See "Annual Report" below.

3. Annual Report

- a. The Annual Report shall include the BOP and Pipe Shearing Report for the technology reviewed during the prior calendar year.

15.c.2) BOP Preventative Maintenance Gap Analysis Report

1. Implementation

- a. Transocean shall prepare a report including a gap analysis of preventative maintenance required in the company's maintenance program for subsea BOPs as

compared to OEM required maintenance, and, where OEM maintenance recommendations differ from those applied, provide an explanation of the differences (“BOP Preventative Maintenance Gap Analysis Report”).

2. Milestones and Deliverables

a. See “Annual Report” below.

3. Annual Report

a. The Annual Report shall include the BOP and Preventative Maintenance Gap Analysis Report for the gap analysis performed during the prior calendar year.

15.d.1) & 15.d.2) Well Control Competency Assessments

1. Implementation

- a. Transocean shall develop, implement, and maintain documentation for a Well Control Competency Assessment plan for all Transocean personnel (including: Offshore Installation Manager (“OIM”), a combined Offshore Installation Manager and Captain Role (“OIM/C”), Drilling Superintendent, Senior Toolpusher, Toolpusher, and Driller) responsible for conducting or oversight of Drilling Operations on Transocean’s owned, operated, or contracted rigs (collectively “Well Control Personnel”) that:
- i. Includes well control competency requirements for Well Control Personnel that exceed the competency requirements set forth in 30 C.F.R. §§ 250.1500-1510 (Subpart O);
 - ii. Identifies skill sets and other competencies needed to recognize, evaluate, and respond to Well Control events;
 - iii. Provides for the training and assessment of skills and competencies necessary for those events; and
 - iv. Provides appropriate corrective actions for personnel who do not demonstrate the identified skills or competencies, including but not limited to, ensuring that any such personnel who have not demonstrated such skills and competencies shall work under direct supervision of a Competent Person until such skills and competency have been demonstrated.

2. Milestones and Deliverables

a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall submit to the United States 1) its Well Control Competency Assessment plan; 2) an explanation of how the plan meets the specific requirements of the Consent Decree and the Performance Plan; and 3) a list of the Well Control Personnel currently working in the Waters of the United States.

- b. Transocean shall submit to the United States a new Annual List of Well Control Personnel by April 2 of each subsequent year.
- c. Within thirty (30) days of any revision to the Well Control Competency Assessment plan by Transocean or its training contractor(s), Transocean shall submit to the United States 1) the revised Well Control Competency Assessment plan; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.
- d. Within thirty (30) days of any change in the entity that operates or manages Transocean's Houston Training Center or comparable Training Center used by Transocean or its contractor(s) to meet its well control employee training or competency assessment requirements, Transocean shall submit to the United States an explanation of how Transocean, through the new internal or contracted entity, will meet the specific requirements of the Consent Decree and the Performance Plan.

3. Annual Report

- a. The Annual Report shall include a report that includes:
 - i. The number of personnel, by position, that are Well Control Personnel;
 - ii. The number and percentage of Well Control Personnel assessed;
 - iii. The number and percentage of those assessed found competent;
 - iv. The number and percentage of those assessed found in need of further training;
 - v. The number and percentage of those found in need of further training that have completed the further training and reassessment; and
 - vi. Documentation showing that those Transocean personnel who are considered Well Control Personnel are all compliant with the training program schedule identified in the Well Control Competency Assessment plan.
- b. Each subsequent Annual Report shall separately address the number and percentage of new individuals that have been assessed and have begun training since the previous Annual Report.

15.d.3) Training

1. Implementation

- a. Transocean shall require all offshore management who conduct or oversee Drilling Operations, specifically the OIM, OIM/C, Drilling Superintendent, Senior Toolpusher, Toolpusher and Driller (collectively, "Designated

Employees”) to complete at least forty (40) hours of training each calendar year related to:

- i. Outer Continental Shelf (“OCS”) well control operations;
- ii. Principles of process safety; or
- iii. Risk Management.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall submit to the United States 1) its North America Division (“NAM”) Training Matrix; 2) an explanation of how the NAM Training Matrix meets the specific requirements of the Consent Decree and the Performance Plan, and 3) a list of the Designated Employees currently working in the Waters of the United States.
- b. Transocean shall submit a new Annual List of Designated Employees by April 2 of each subsequent year.
- c. Within thirty (30) days of any substantive revision to the NAM Training Matrix, Transocean shall submit to the United States 1) the revised NAM Training Matrix; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.
- d. Within thirty days of any change in the entity that operates or manages Transocean’s Houston Training Center or comparable Training Center used by Transocean or its contractor(s) to meet its well control employee training for any course included in the NAM Training Matrix, Transocean shall submit to the United States explanation of how Transocean, through the new internal or contracted entity, will meet the specific requirements of the Consent Decree and the Performance Plan.

3. Annual Report

- a. The Annual Report shall include a report that includes:
 - i. The number of personnel, by position, that are Designated Employees;
 - ii. A description of the training modules completed during the prior calendar year by Designated Employees; and
 - iii. Documentation showing that those Transocean personnel who are Designated Employees, during the prior calendar year, have completed at least 40 hours of training regarding OCS well control operations; principles of process safety; or risk management.

15.d.4) Training Center

1. Implementation

- a. Transocean shall implement and maintain International Association of Drilling Contractor's ("IADC") certification for Transocean's well control training at Transocean's Houston Training Center.
- i. Transocean shall ensure that its Houston Training Center or comparable Training Center used by Transocean or its training contractor(s) to meet its employee training requirements, is made available to the United States upon written request for the United States representatives to visit to ensure/increase transparency; and
- ii. Transocean shall make available three (3) places in designated training sessions at its Houston Training Center, or comparable Training Center used by Transocean or its training contractor(s) to meet its employee training requirements, each year for the duration of the Consent Decree for representatives of the United States to attend training sessions to obtain an understanding of Transocean's training curriculum.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall submit to the United States its current IADC certification form for Transocean's Houston Training Center.
- b. On a quarterly basis, within ten (10) days after the last day of March, June, September, and December of each calendar year, Transocean shall submit to the United States its schedule of training classes at the Houston Training Center, or comparable Training Center used by Transocean or its contractor(s) to meet its employee training requirements, and invite the United States to participate.
- c. The United States may send its written request to visit the Houston Training Center or to participate in training sessions at the Houston Training Center, or comparable Training Center used by Transocean or its contractor(s) to meet its employee training requirements, to the Transocean parties identified for notice in Appendix A to the Performance Plan.
- d. Within thirty (30) days of the change in the entity that operates or manages Transocean's Houston Training Center or comparable Training Center used by Transocean or its contractor(s) to meet its employee well control training requirements, Transocean shall submit to the United States the current IADC certification for that Training Center.
- e. In the event of a lapse of IADC well control training related certification at its Houston Training Center, or comparable Training Center used by Transocean or its contractor(s) to meet its well control employee training requirements, within

thirty (30) days, Transocean shall notify the United States of the lapse and identify the alternate IADC-certified Training Center(s) that will be used to train Transocean employees on well control while the lapse is rectified.

3. Annual Report

- a. The Annual Report shall include:
 - i. the certification for Transocean's well control training at Transocean's Houston Training Center applicable to the prior calendar year;
 - ii. the number of visits by United States' representatives to the Houston Training Center; and
 - iii. the number of and type of training sessions attended by United States' representatives at the Houston Training Center.

15.d.5) Competence Assessment Management System

1. Implementation

- a. Transocean shall implement and maintain a Competence Assessment Management System ("CAMS") to develop standards of competence required across Transocean's United States fleet for Drillers, Senior Subsea Supervisors, Subsea Supervisors, and Dynamic Positioning Officers (collectively, "CAMS Employees") and to ensure that those job positions are receiving the correct training for their positions. The CAMS process shall:
 - i. Obtain third-party certification of its CAMS process from the Offshore Petroleum Industry Training Organization ("OPITO");
 - ii. Assess risks associated with CAMS Employees; and
 - iii. Audit training and employee competency records to assure that CAMS Employees are adequately receiving the correct training for their positions.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall: submit to the United States 1) its CAMS and the third-party certification of Transocean's CAMS process from OPITO; 2) its risk assessments for CAMS Employees; 3) an explanation of how Transocean's CAMS process meets the specific requirements of the Consent Decree and the Performance Plan; and 4) a list of the CAMS Employees currently working in the Waters of the United States.
- b. Transocean shall submit to the United States a new annual list of CAMS Employees by April 2 of each subsequent year.

- c. Within thirty (30) days of any revision to CAMS or the risk assessments for CAMS Employees, Transocean shall submit to the United States 1) the revised Competence Assurance Manual or the risk assessments for CAMS Employees; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.
- d. Within thirty (30) days of any change in the entity that operates or manages Transocean's Houston Training Center or comparable Training Center used by Transocean or its contractor(s) to implement the CAMS process, if any, Transocean shall submit to the United States an explanation of how Transocean, through the new internal or contracted entity, will meet the specific requirements of the Consent Decree and the Performance Plan.

3. Annual Report

- a. The Annual Report shall include a report that includes:
 - i. The number of personnel, by position, that are CAMS Employees;
 - ii. The risks associated with CAMS Employees;
 - iii. The current status of OPITO certification; and
 - iv. Documentation showing that those Transocean personnel who are CAMS Employees, during the prior calendar year, have received the correct training for their positions.

15.d.6) Competence Assessment Program

1. Implementation

- a. Transocean shall use a Competence Assessment Program ("CAP") to assess the capability of Drillers, Senior Subsea Supervisors, Subsea Supervisors, and Dynamic Positioning Officers (collectively, "CAP Employees") to operate at the CAMS established levels of competence. The CAP shall:
 - i. Establish a single standard of competency in each job;
 - ii. Be reviewed semi-annually to identify any potential gaps in on-the-job training and/or classroom training programs; and
 - iii. Be updated, changed, or supplemented at least once each calendar year.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall submit to the United States 1) the CAP; 2) an explanation how the CAP complies with the specific requirements of the Consent Decree and the Performance Plan;

and 3) a list of CAP Employees currently working in the Waters of the United States.

- b. Unless other required by the United States for unique drilling operations, such as Arctic/Alaska drilling, Transocean shall conduct CAP assessments as follows:
 - i. By January 31, 2014 – Initial assessment for all Drillers, Senior Subsea Supervisors, and Subsea Supervisors;
 - ii. By March 31, 2014 – Initial assessment for Dynamic Positioning Officers; and
 - iii. Transocean shall CAP assess any employee new to the above positions within six (6) months of the employee entering that position.
 - iv. In the event a rig previously engaged in Drilling Operations in the Waters of the United States remains in the U.S. (in a shipyard or anchored) and is not engaged in Drilling Operations, and a CAP assessed employee assigned to the rig is required to be reassessed during that period, Transocean shall promptly reassess that employee, provided, however, the offshore portion of the reassessment must then be finalized within three (3) months of the employee resuming work on a rig engaged in Drilling Operations in the Waters of the United States.
- c. Transocean shall review the CAP assessments in June and December of each year to identify any potential gaps in current on-the-job training and/or classroom training programs.
- d. By April 2 of each subsequent year, Transocean shall generate updates, changes and additions to the CAP as appropriate, based on the previous year's semi-annual assessments. By April 2, and within thirty (30) days of any revision to the CAP, Transocean shall submit to the United States 1) the revised CAP; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.
- d. Within thirty (30) days of any change in the entity that operates or manages Transocean's Houston Training Center or comparable Training Center used by Transocean or its contractor(s) to conduct CAP assessments, if any, Transocean shall submit to the United States an explanation of how Transocean, through the new internal or contracted entity, will meet the specific requirements of the Consent Decree and the Performance Plan.

3. Annual Report

- a. The Annual Report shall include documentation showing:
 - i. The number of personnel, by position, that are CAP Employees;

- ii. CAP assessments for CAP Employees during the prior calendar year, including but not limited to the number and percentage of CAP Employees assessed; and,
- iii. Any updates, improvements, changes, or revisions to the CAP.

15.d.7) & 15.d.8) Operational Alerts

1. Implementation

- a. Transocean shall develop and commence continuous operation of the Global Management System (“GMS”) to forward operational alerts issued at the corporate level to Transocean’s rigs operating in the Waters of the United States.
- b. Transocean shall require confirmation from the OIMs, or OIM/Cs that operational alerts have been received and that the required actions are being taken.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall submit to the United States 1) its plan for operational alerts to be issued; and 2) an explanation of how the plan meets the specific requirements of the Consent Decree and the Performance Plan.
- b. Within thirty (30) days of any revision to the plan for operational alerts, Transocean shall submit to the United States 1) the revised plan for operational alerts; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.

3. Annual Report

- a. The Annual Report shall include documentation showing that the OIMs, OIM/Cs have confirmed receipt of all operational alerts and implemented all required actions during the prior calendar year.

15.d.9) Hazard Identification Training

1. Implementation

- a. Transocean shall annually prepare a Hazard Identification Training Report demonstrating all of Transocean’s employee training related to hazard identification, including the number of personnel who participated in courses containing a hazard training component and a description of those training courses.

2. Milestones and Deliverables

- a. See “Annual Report” below.

3. Annual Report

- a. The Annual Report shall include the Hazard Identification Training Report.

15.e. Drilling Monitoring

1. Implementation

- a. Transocean shall review and evaluate, as soon as it becomes commercially available, real-time monitoring technology applicable to drilling contractors.
- b. Transocean shall annually prepare a Drilling Monitoring Summary Report describing its use or rationale not to use such technology, including the technical feasibility and applicability to well operations and the economic feasibility of the technology (cost-benefit analysis).

2. Milestones and Deliverables

- a. See “Annual Report” below.

3. Annual Report

- a. The Annual Report shall include the Drilling Monitoring Summary Report.

15.f. Records

1. Implementation

- a. Transocean shall maintain onshore copies of all records related to the United States-required drilling and production tests of drilling equipment owned by Transocean.
- b. Transocean shall submit the records to the United States upon request.

2. Milestones and Deliverables

- a. See “Annual Report” below.

3. Annual Report

- a. The Annual Report shall include documentation showing that Transocean is maintaining copies of all records related to the United States-required drilling and production tests of drilling equipment owned by Transocean.

15.g. Incident Tracking Report

1. Implementation

- a. Transocean shall annually prepare an Incident Tracking Summary Report documenting all corrective maintenance and inhibits (i.e., the temporary disabling) of safety critical designated equipment, stop-work events, near hits and serious near hit incidents, major loss of containment incidents, and any incidents involving Transocean’s employees or contractors that Operators are required to report under 30 C.F.R. § 250.188 (as modified to include reporting of property or equipment damage greater than \$250,000 in value). The Incident Tracking Report shall include trend analysis for the categories of incidents listed above.

2. Milestones and Deliverables

- a. See “Annual Report” below.

3. Annual Report

- a. The Annual Report shall include the Incident Tracking Report.

16.a. & b. Oil Spill Training

1. Implementation

- a. Transocean shall provide training at least once per calendar year on the National Incident Command System (“ICS”) to Transocean’s personnel engaged in any function associated with emergency planning, preparedness, and response for any drilling rigs.
- b. This training requirement applies to the following personnel: Health, Safety, and Environment (“HSE”) Vice President (now titled Vice President of HSE), Vice President of the Americas, HSE Director (now split into Director HSE Field Support and Director HSE Services), HSE Manager, Sector Manager and General Manager (now titled Operations Director), Operations Managers, and Rig Managers (collectively, the “Emergency Response Team” or “ERT”).
- c. Training curriculum shall include:
 - i. ICS computer-based training: ICS 100, 200, 700, and 800; and
 - ii. ICS classroom-based training: ICS 300 and 400.
- d. Transocean shall create a four-hour course on the oil spill response plan (“OSRP Course”) and this will be added to the ERT training curriculum.
- e. On January 15 of each year, Transocean shall assign to current ERT members the training required by Paragraph 16 of the Consent Decree for the subsequent

calendar year. On a quarterly basis, within ten (10) days of the last day of March, June, September, and December of each calendar year, Transocean shall provide reminders to each ERT member of required training that has not yet been completed. Transocean shall track and document the completion of required ERT training.

- f. If during a calendar year a new individual becomes an ERT member, Transocean shall immediately notify the new member of the ERT training curriculum. Transocean shall prorate the ERT training required for ERT members that are added during a calendar year.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall submit to the United States for review and approval pursuant to Paragraph 24 of the Consent Decree the ERT Training Curriculum, which shall include 1) ICS 100, 200, 300, 400, 700, and 800 training, as appropriate; and 2) Transocean's designation of appropriate levels of ICS training for the ERT using objective qualification standards.
- b. By January 15, 2014, Transocean shall submit an OSRP Course to the United States for review and approval pursuant to Paragraph 24 of the Consent Decree.
- c. Within sixty (60) days of Approval of the Performance Plan, Transocean shall submit to the United States a list of the ERT members by number and position.
- d. Within thirty (30) days of any revision to the ERT Training Curriculum, Transocean shall submit to the United States for review and approval pursuant to Paragraph 24 of the Consent Decree 1) the revised ERT Training Curriculum; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.

3. Annual Report

- a. The Annual Report shall include 1) the annual list of ERT members by number and position; 2) a report on the training completed by ERT members by number and position; and 3) documentation showing that all ERT members completed the required ERT Training Curriculum courses during the prior calendar year.

17. Oil Spill Exercises

17.a. Simulated Notification

1. Implementation

- a. For each Transocean rig in the Waters of the United States, during each onboard emergency oil spill exercise, Transocean shall simulate notification to United

States Coast Guard (“USCG”) via the National Response Center and BSEE, in coordination with the Operator.

- b. Transocean shall document the simulated notifications in the drill records of the rig and submit those documents to the United States upon request.
2. Milestones and Deliverables
 - a. See “Annual Report” below.
 3. Annual Report
 - a. The Annual Report shall include 1) a summary of each emergency oil spill exercise during which simulated notification took place, including the date, rig, type of exercise; and 2) documentation showing that Transocean simulated notification and documented the simulated notification for emergency oil spill exercise as required by Paragraph 17.a. of the Consent Decree during the prior calendar year.

17.b. Actual Notification

1. Implementation
 - a. Quarterly, by the last day of March, June, September, and December of each calendar year, with advance notice, and in coordination with the Operator, Transocean shall conduct one drill with actual notification to the National Response Center clearly identifying that the call is part of an exercise.
 - b. The rig to perform the actual notification drill shall be selected at random by a Transocean Operations Director in the first week of each quarter.
 - c. Transocean shall document the actual notifications in the drill records of the rig and make available those documents to the United States upon request.
2. Milestones and Deliverables
 - a. See “Annual Report” below.
3. Annual Report
 - a. The Annual Report shall include 1) a summary of the drills during which actual notification took place, including the date, rig, type of exercise; and 2) documentation showing that Transocean notified the National Response Center and documented the notification one drill per quarter as required by Paragraph 17.b. of the Consent Decree during the prior calendar year.

17.c. Operator Table-top Exercises

1. Implementation

- a. When an Operator requests, Transocean shall participate in Table-top Exercises developed and coordinated by the Operator, using the worst-case scenario for the well to be drilled and the Operator's applicable OSRP. Transocean shall participate as observers in Table-top Exercises conducted by Operators with other drilling contractors, when acceptable to those parties.
- b. Transocean shall document participation and observation of Table-top Exercises and make available those documents to the United States upon request.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall send written requests to the Operators with which it contracts to allow Transocean:
 - i. To participate in Table-top Exercises developed and coordinated by the Operator, using the worst-case scenario for the well to be drilled and the Operator's applicable OSRP; and
 - ii. To participate as observers in Table-top Exercises conducted by the Operator with other drilling contractors.
- b. Transocean shall send to its Operators the written requests for Table-top Exercise participation and observation no later than April 2 of each subsequent year and make those requests available to the United States upon request.

3. Annual Report

- a. The Annual Report shall include 1) a summary of the Table-top Exercises Transocean participated in or observed, including the date, Operator, and type of exercise; and 2) documentation showing that Transocean requested and participated in or observed all Table-top Exercises for which the Operator requested its presence during the prior calendar year.

17.d. Weekly Emergency Response Drills

1. Implementation

- a. Transocean shall participate with Operator personnel in weekly rig-based Emergency Response Drills, which shall include the following types of scenarios: blowouts, gas on the surface, fire, vessel collisions, terrorist threats, and muster and evacuation. Where appropriate, Emergency Response Drills shall also include drills regarding the applicable OSRP for a particular scenario.

- b. Transocean shall document the Emergency Response Drills in the drill records of the rig and make available those records to the United States upon request.
- 2. Milestones and Deliverables
 - a. See “Annual Report” below.
 - 3. Annual Report
 - a. The Annual Report shall include 1) a summary of the Emergency Response Drills Transocean personnel participated in, including the number of rigs on which drills took place, the number of weeks the drills took place on each rig, and the types of drills conducted; and 2) documentation showing that Transocean personnel participated in all weekly rig-based Emergency Response Drills and that Transocean documented that participation during the prior calendar year.
- 17.e. Coordinate with Operators**
- 1. Implementation
 - a. Transocean shall coordinate with the Operator to invite the USCG, BSEE, and the Environmental Protection Agency (“EPA”) to participate in internal training exercises conducted pursuant to Paragraph 17.c. of the Consent Decree.
 - 2. Milestones and Deliverables
 - a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall send documentation to its Operators informing them of the requirement to invite USCG, BSEE and the EPA to participate in Table-top Exercises conducted pursuant to Paragraph 17.c. of the Consent Decree.
 - b. Transocean shall send to its Operators, and make available to the United States upon request, the documentation informing the Operators of Transocean's requirement to request that Operators invite USCG, BSEE and the EPA to participate in Table-top Exercises, by no later than April 2 of each subsequent year.
 - 3. Annual Report
 - a. The Annual Report shall include documentation showing that Transocean informed all Operators of the invitation requirement in Paragraph 17.e. of the Consent Decree during the prior calendar year.

18. Oil Spill Response Plans (“OSRP”)

1. Implementation

- a. Transocean shall submit to the United States, for review and approval, an addendum to the approved OSRP for each Operator with which it contracts. The addendum shall include the following:
 - i. A listing of all oil spill response equipment stored on each rig;
 - ii. Information on the communication systems and compatibility with the Operator’s systems, including those in the approved OSRP;
 - iii. A listing of Transocean employee positions responsible for assisting with an oil spill response pursuant to the OSRP, a description of those positions and duties, and a summary demonstrating that the employees filling the positions have the training or experience related to such positions and/or are engaged in a training program or on-the-job-training related to such positions. Transocean shall provide to the United States the names of employees filling the positions upon request; and
 - iv. Action plans and duties relating to maintaining or regaining well control.
- b. Transocean shall review and update its addendum to the Operator’s OSRP, if appropriate, based on any change to the Operator’s OSRP.
- c. The approved addendum, along with any updates based on changes to the Operator’s OSRP, shall be made part of the rig Emergency Response Plan (“ERP”).

2. Milestones and Deliverables

- a. By January 15, 2014, Transocean shall submit to the United States for review and approval pursuant to Paragraph 24 of the Consent Decree 1) its OSRP addenda, also called “Non-tank Vessel Response Plans” or “Tank Vessel Response Plans,” for each rig operating in Waters of the United States; and 2) an explanation of how these OSRP addenda meet the specific requirements of the Consent Decree and the Performance Plan.
- b. Within thirty (30) days of any revision of an OSRP addendum, Transocean shall submit to the United States for review and approval pursuant to Paragraph 24 of the Consent Decree 1) the revised OSRP addendum; and 2) an explanation of how the revisions meet the specific requirements of the Consent Decree and the Performance Plan.
- b. By April 2 of each year, Transocean shall provide to the United States current contact information for three (3) company representatives for the United States to contact in the event of a spill.

3. Annual Report

- a. The Annual Report shall include documentation showing that Transocean has reviewed and updated its OSRP addenda and that the OSRP addenda are part of the ERPs as required pursuant to Paragraph 18 of the Consent Decree during the prior calendar year.

19. Best Practices

19.a. Communications with Operators

1. Implementation

- a. Transocean shall create, review, update, and maintain ERPs that shall include a description of Transocean's role in implementing measures and providing equipment necessary to maximize an effective and efficient emergency evacuation and other activities related to maintaining platform integrity and stability, including the initiation of the emergency disconnect system.
- b. Transocean shall provide its ERPs to Operators with whom Transocean contracts.

2. Milestones and Deliverables

- a. By January 15, 2014, Transocean will:
- i. Finalize review of each ERP to confirm that each ERP fully complies with the specific requirements in Paragraph 19.a. of the Consent Decree: and,
- ii. Submit its final ERP to the appropriate Operators.
- b. Within ten (10) days thereafter, Transocean shall make available to the United States upon request its ERPs.
- c. Within thirty (30) days of any revision of an ERP, Transocean shall submit the revised ERP to the appropriate Operators and make the revised ERP available to the United States upon request.

3. Annual Report

- a. The Annual Report shall include a list of all Operators to whom ERPs have been provided and documentation showing that Transocean has provided its ERPs to all appropriate Operators during the prior calendar year.

19.b. Alarm System Safety

1. Implementation

- a. Transocean shall maintain within maintenance system records an up-to-date status of all inhibits made to the fire and gas alarm systems of its rigs operating in the Waters of the United States.
- b. Transocean shall record and maintain this information both on the rig and in a Transocean on-shore database located in the United States. This information shall be made available to the United States upon request.

2. Milestones and Deliverables

- a. See “Annual Report” below.

3. Annual Report

- a. The Annual Report shall include a documentation showing that Transocean maintains an up-to-date status of records of inhibits made to fire and gas alarm systems aboard Transocean rigs and that this information is maintained both on the rig and in a Transocean on-shore database located in the United States.

20. Innovation

1. Implementation

- a. Transocean shall form a Technology Innovation Group (“TIG”). The membership of the TIG shall consist of key personnel from Operations, Legal, and Technology Innovation. The TIG will meet at a minimum, once a month.
- b. The TIG’s goals shall include identification and development of next generation technologies to increase drilling safety. The new technologies shall include, but not be limited to, blowout preventers.
- c. The TIG shall, on an annual basis:
 - i. Identify areas where drilling safety could be improved, including enhancements to blowout preventers;
 - ii. Identify new technologies that could improve drilling safety in those areas;
 - iii. Identify other companies that could assist with research and development of the new technologies;
 - iv. Research the effectiveness of these technologies;
 - v. Where appropriate, propose for testing or piloting promising technologies;

- vi. Where appropriate, evaluate tested or piloted technologies based on feasibility testing procedures and economic evaluation procedures;
 - vii. Evaluate and account for how funds were spent during the prior calendar year and how the projects are progressing;
 - viii. Budget and set goals for the coming year; and
 - ix. Prepare a report demonstrating compliance with Paragraph 20 of the Consent Decree and Sections 20.1.a., b., and c. of this Performance Plan (“TIG Report”).
- d. Transocean shall devote a minimum of \$10 million to this effort before seeking termination of the Consent Decree, and shall do so by February 19, 2018 unless impracticable.

2. Milestones and Deliverables

- a. Within sixty (60) days of Approval of the Performance Plan, Transocean shall submit to the United States a list of TIG membership (including titles), a detailed TIG mission statement, and TIG’s projected goals for 2014.
- b. For each calendar year after February 19, 2013, by April 2, Transocean shall submit the TIG Report to the United States and to the Transocean Boards of Directors.
- c. In the event that Transocean determines that it is unable to meet the February 19, 2018 deadline for expenditure of the \$10 million, it must submit to the United States no later than August 19, 2017 a summary of this impracticality and a proposed schedule for expenditure of the remaining funds.
- d. Prior to seeking termination of the Consent Decree, Transocean shall submit to the United States a completion report summarizing how Transocean has spent the required \$10 million on this effort.

3. Annual Report

- a. The Annual Report shall include the TIG Report.

21. Transparency

21.a. Responsibility for Consent Decree Compliance

1. Implementation

- a. Transocean shall form a Committee of the Transocean Offshore Deepwater Drilling Inc. (“TODDI”) Board, which shall assume responsibility for

Transocean's compliance with and reporting obligations under the Consent Decree.

- b. The Committee will be named the Health, Safety, and Environmental Board Committee ("HSE Committee"). The HSE Committee shall fulfill the requirements of both Paragraph 21.a. and 23.a. of the Consent Decree.
 - c. The HSE Committee shall be responsible for Transocean's reporting obligations under Paragraph 31.b. of the Consent Decree as follows:
 - i. The HSE Committee shall meet at least quarterly.
 - ii. The HSE Committee shall appoint a Compliance Advisor to prepare quarterly compliance reports regarding the status of Transocean's compliance with each element of the Consent Decree ("Quarterly Compliance Report"). The Quarterly Compliance Report shall include discussion of, but not be limited to, all steps taken to comply, all problems or challenges encountered in attempting to comply, and any assistance needed from Transocean Ltd.'s Boards of Directors to help secure timely compliance of the Consent Decree.
 - iii. The Quarterly Compliance Reports shall be provided to HSE Committee members prior to each quarterly meeting.
 - iv. Following each quarterly meeting, the HSE Committee shall provide the Quarterly Compliance Report to TODDI's and Transocean Ltd.'s Boards of Directors.
1. Milestones and Deliverables
 - a. Upon request, the HSE Committee shall submit to the United States the Quarterly Compliance Reports.
 2. Annual Report
 - a. The Annual Report shall include documentation showing that the Quarterly Compliance Reports were provided to the TODDI and Transocean Ltd. Boards of Directors on a quarterly basis during the prior calendar year.

21.b. Public Web Site

1. Implementation
 - a. Transocean shall create a Public Web Site that contains information related to Transocean's compliance with the obligations under the Consent Decree. This Public Web Site shall be updated at least annually by April 2 of each year.

- b. To facilitate access to the Public Web Site, Transocean shall create a link to a “United States Macondo Settlement Compliance Webpage” on Transocean’s web site, www.deepwater.com.

2. Milestones and Deliverables

- a. Within thirty (30) days of Approval of the Performance Plan, Transocean shall create the United States Macondo Settlement Compliance Webpage.
- b. Subject to Paragraph 14.c. of the Performance Plan, by no later than April 2, 2014, Transocean shall post to the Public Web Site the following information:
 - i. Lessons learned from the Macondo Well Incident Report;
 - ii. Summary progress reports on Transocean’s compliance with the Consent Decree, including the injunctive relief obligations set forth in the Consent Decree;
 - iii. Summaries of lost time incidents, hydrocarbon spills and volume;
 - iv. A list of all incidents of Transocean’s non-compliance with the Consent Decree, including corrective actions taken and penalties assessed;
 - v. A report demonstrating all Transocean employee training and competence in job safety analyses for OIM, OIM/C, Drilling Superintendent, Senior Toolpusher, Toolpusher, and Driller;
 - vi. A list of all of the Transocean’s oil spills that reach Waters of the United States, including the name of the facility, location of the spill, root cause, and best estimate of volume, updated as new information becomes available; and
 - vii. All items submitted to the United States under the Consent Decree and Performance Plan.
- c. By no later than April 2 for all subsequent years, Transocean shall post to the Public Web Site annual updates to the documentation listed in Paragraph 20.b. of the Consent Decree, including all submissions made to the United States under the Consent Decree and Performance Plan, subject to Paragraph 14.c. of the Consent Decree and Section 14.c. of this Performance Plan.

3. Annual Report

- a. The Annual Report shall include documentation showing that Transocean has posted to the United States Consent Decree Compliance Webpage all the documents required by the Consent Decree and this Performance Plan during the prior calendar year.

21.c. National Response Resource Inventory

1. Implementation

- a. For each calendar year after February 19, 2013, by April 2, Transocean shall provide to the USCG (via the National Strike Force Coordination Center), for entry into the National Response Resource Inventory database, a list of all Well Control and spill response equipment Transocean owns, operates, or for which it has contracted.

2. Milestones and Deliverables

- a. By January 15, 2014, Transocean shall submit to the United States a list of all Well Control and spill response equipment that Transocean owns, operates, or for which it has contracted.
- b. Beginning April 2, 2014, Transocean shall submit to the United States annual updated lists of all Well Control and spill response equipment that Transocean owns, operates, or for which it has contracted.

3. Annual Report

- a. The Annual Report shall include documentation showing that Transocean has provided to the United States its annual list of all Well Control and spill response equipment that Transocean owns, operates, or for which it has contracted for the prior calendar year.

22. Independent Consent Decree Compliance Auditor

1. Implementation

- a. As part of its Performance Plan approved by the United States, Transocean shall retain an Independent Consent Decree Compliance Auditor who shall audit and report to the United States on Transocean's compliance with Articles VI ("Measures to Improve Performance and Prevent Recurrence") and VIII ("Reporting") of the Consent Decree.
- b. Transocean shall provide the Independent Consent Decree Compliance Auditor with access to documentation and employees as may be appropriate to verify Transocean's compliance with Articles VI ("Measures to Improve Performance and Prevent Recurrence") and VIII ("Reporting") of the Consent Decree.

2. Milestones and Deliverables

- a. On June 25, 2013, Transocean submitted a written proposal regarding the appointment of an Independent Consent Decree Compliance Auditor.

- b. Upon the United States' approval of the Performance Plan and an Independent Consent Decree Compliance Auditor, Transocean shall retain the approved Consent Decree Compliance Auditor.
 - c. By February 2, 2015 and by February 2 of each subsequent year, the Independent Consent Decree Compliance Auditor will provide a draft report to Transocean regarding Transocean's compliance with Articles VI ("Measures to Improve Performance and Prevent Recurrence") and VIII ("Reporting") of the Consent Decree. Within thirty (30) days of receipt of the draft report, Transocean shall respond to any deficiencies noted in the draft report and develop a plan to correct any agreed-upon deficiencies.
 - d. By April 2, 2015, and by April 2 of each following year, the Independent Consent Decree Compliance Auditor shall submit to the United States a Compliance Audit Report, which shall include any Transocean plan to correct any agreed-upon deficiencies.
 - e. Transocean shall post the Compliance Audit Report to the Public Web Site within ten (10) days of issuance.
3. Annual Report
- a. The Annual Report shall include the Compliance Audit Report for the prior calendar year.

23. Process Safety

23.a. Transocean Offshore Deepwater Drilling Inc. Health, Safety and Environmental Board

- 1. Implementation
 - a. TODDI shall form an HSE Committee. The HSE Committee shall fulfill the requirements of both Paragraph 21.a. and 23.a. of the Consent Decree.
 - b. The HSE Committee shall evaluate Transocean's response/improvements in Transocean's safety and operational risk identification and management of risk, including Transocean's compliance with the process safety related aspects of the Consent Decree, specifically BOP testing and maintenance, training, and Well Control.
 - c. The HSE Committee shall meet at least quarterly.
 - d. Following each quarterly meeting, the HSE Committee shall report its findings and recommendations to TODDI's and Transocean Ltd.'s Boards of Directors.

2. Milestones and Deliverables

- a. Upon request, the HSE Committee shall submit to the United States its findings and recommendations to TODDI's and Transocean Ltd.'s Boards of Directors.

3. Annual Report

- a. The Annual Report shall include documentation showing that for the prior calendar year the HSE Committee reported its findings and recommendations quarterly to TODDI's and Transocean Ltd.'s Boards of Directors.

23.b. Independent Process Safety Consultant

1. Implementation

- a. To assist in evaluating Transocean's process safety, including operational risk identification and management of risk, Transocean shall retain an Independent Process Safety Consultant acceptable to the United States who shall be experienced in process safety, operations and risk management in the offshore drilling industry.
- b. The Independent Process Safety Consultant shall review Transocean's practices related to the process safety related aspects of the Consent Decree, specifically BOP testing and maintenance, training, and Well Control.
- c. Transocean shall provide to the Independent Process Safety Consultant access to all documentation related to BOP testing and maintenance, training, and Well Control made available to the Independent Consent Decree Compliance Auditor pursuant to the Consent Decree and any information related to process safety related aspects of the Consent Decree, specifically, BOP testing and maintenance, training, and Well Control, that is provided to the HSE Committee of the TODDI Board of Directors.

2. Milestones and Deliverables

- a. On June 25, 2013, Transocean submitted a written proposal regarding the appointment of an Independent Process Safety Consultant. Upon the United States' approval of the Performance Plan and an Independent Process Safety Consultant, Transocean shall retain the approved Independent Process Safety.
- b. By October 2, 2015, the Independent Process Safety Consultant shall provide the HSE Committee an initial report of the Independent Process Safety Consultant's review of Transocean's practices related to the process safety related aspects of the Consent Decree, specifically BOP testing and maintenance, training, and Well Control ("Initial Process Safety Report"). Within thirty (30) days of the HSE Committee's receipt, Transocean shall submit to the United States the Initial Process Safety Report.

- c. By October 2, 2017, the Independent Process Safety Consultant shall provide the HSE Committee a supplemental report of the Independent Process Safety Consultant's review of Transocean's practices related to the process safety related aspects of the Consent Decree, specifically BOP testing and maintenance, training, and Well Control ("Supplemental Process Safety Report"). Within thirty (30) days of the HSE Committee's receipt, Transocean shall submit to the United States the Supplemental Process Safety Report.
- d. If at any time during its review the Independent Process Safety Consultant concludes that there is a material deficiency in Transocean's practices related to the process safety aspects of the Consent Decree, the Independent Process Safety Consultant shall report its conclusion in writing to Transocean, the HSE Committee, and the United States. Within thirty (30) days, Transocean shall submit a response and a remedial plan, if appropriate to the Independent Process Safety Consultant, the HSE Committee, and the United States.

3. Annual Report

- a. The relevant Annual Report shall include for the prior calendar year:
 - i. the Initial Process Safety Report,
 - ii. the Supplemental Process Safety Report, and/or
 - iii. a report of material deficiencies identified by the Independent Process Safety Consultant and Transocean's response regarding the material deficiencies.

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**MARCH 23, 2016 APPENDIX A TO PERFORMANCE PLAN AND UPDATE TO THE
FEBRUARY 19, 2013 CONSENT DECREE’S APPENDIX A**

NOTICES

To the United States:

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Re: DOJ No. 90-5-1-1-10026
Email: deepwater.horizon@usdoj.gov

Barry F. Benson Director, Torts Branch, Civil Division
Admiralty and Aviation
U.S. Department of Justice
Email: barry.benson@usdoj.gov

Sharon D. Smith
Assistant United States Attorney
United States Attorney's Office, E.D. Louisiana
Email: sharon.d.smith@usdoj.gov

John Fogarty, U.S. Environmental Protection Agency
Fogarty.johnpc@epa.gov

Sanda Howland, U.S. Environmental Protection Agency
howland.sanda@epa.gov

Brian Judge, U.S. Coast Guard
brian.judge@uscg.mil

Bureau of Safety and Environmental Enforcement
Regional Director
1201 Elmwood Park Blvd.
New Orleans, LA 70125-2394

Michael J. Saucier, Bureau of Safety and Environmental Enforcement
Michael.Saucier@bsee.gov

Bureau of Safety and Environmental Enforcement
Office of the Director
1849 C Street, NW
Washington, DC 20240

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Michael Farber, Bureau of Safety and Environmental Enforcement
Michael.Farber@bsee.gov

Sarah Doverspike, U.S. Department of the Interior
Sarah.Doverspike@sol.doi.gov

General Counsel
National Oceanic and Atmospheric Administration
U.S. Department of Commerce
Email: Lois.Schiffer@noaa.gov

To the Transocean Defendants:

Brad D. Brian
Michael R. Doyen
Luis Li
Daniel B. Levin
Munger Tolles & Olson LLP
355 S. Grand Ave., 35th Floor
Los Angeles, CA 90071
Fax: (213) 683-5180, (213) 683-4018
Email: brad.brian@mto.com
michael.doven@mto.com
luis.li@mto.com
daniel.levin@mto.com

Steven L. Roberts
Sutherland Asbill & Brennan, LLP
1001 Fannin Street, Suite 3700
Houston, TX 77002-6760
Fax: (713) 654-1301
Email: steven.roberts@sutherland.com
rachel.clingman@sutherland.com

Richard Sauber
Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP
1801 K Street, N.W.
Suite 411L
Washington, DC 20006-1322
Fax: (202) 775-4510
Email: rsauber@robbinsrussell.com