

Macondo Thoughts



December 2, 2010
Dave Pursell

*Disclaimers on page 31 of this document.

Culture Matters

“I encourage you to look for the correlation between well-run, successful companies, and those who are most competent in safety. *If you can get safety right, then you are likely to be very good at managing your operations effectively.*”

Lee Raymond – ExxonMobil
March 9, 2005
Two weeks before BP’s Texas City Refinery Explosion

The Invisible Hand of the Market?

- Space Shuttle Challenger – 1986
 - Rockwell International – shuttle and shuttle engines
 - Lockheed – ground support
 - Martin Marietta – external fuel tanks
 - Morton Thiokol – solid fuel booster rockets
- Trading halted in Thiokol only
 - End of trading day – Thiokol down 12%..others down ~2%

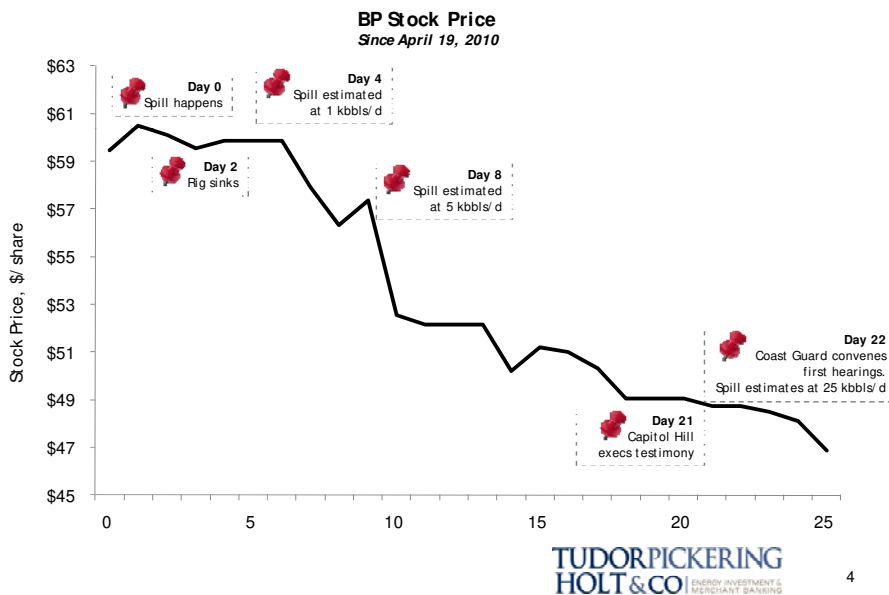
“perplexing situation that while the markets appear to work in practice, we are not sure how they work in theory”. Maureen O’Hara - Cornell

TUDORPICKERING
HOLT & CO ENERGY INVESTMENT & MERCHANT BANKING

3

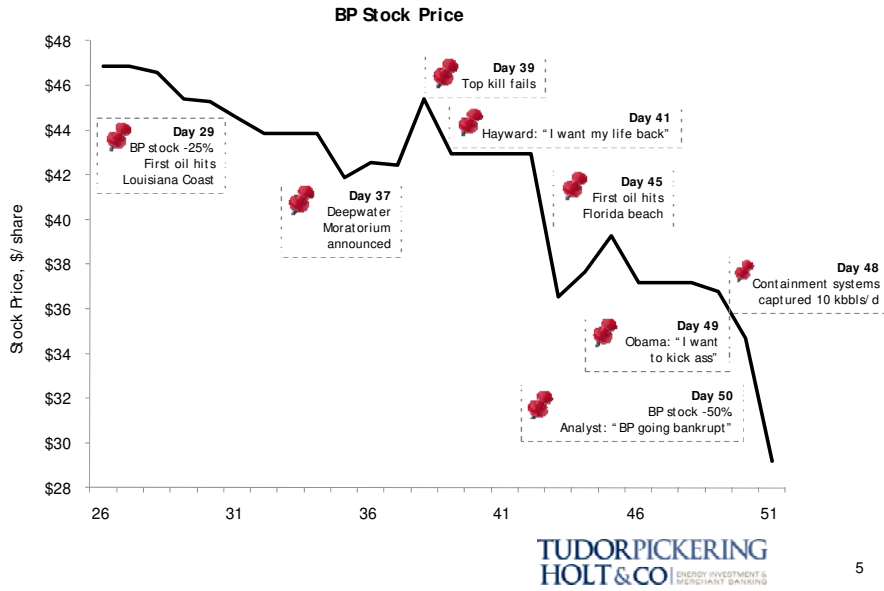
Source: RigData

Macondo Slaps the Invisible Hand - First 25 Days

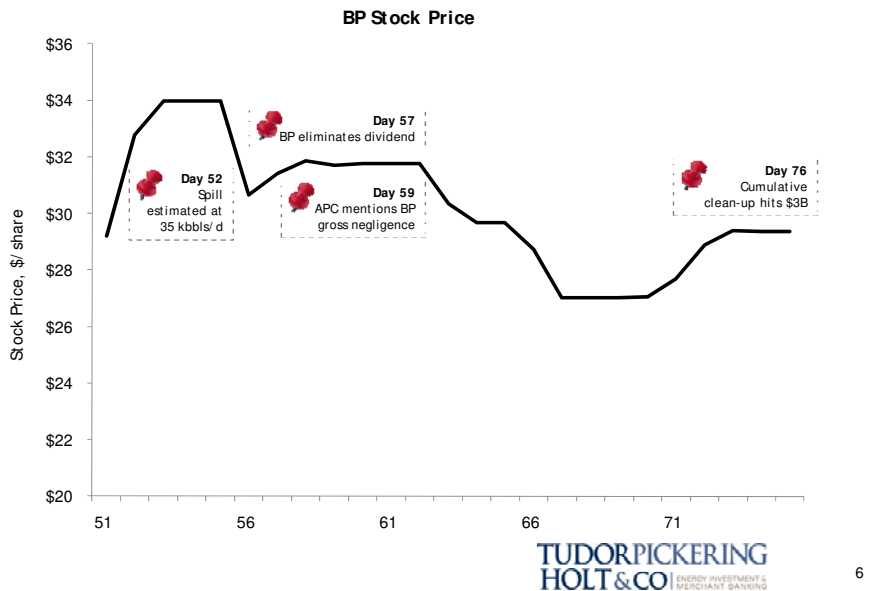


4

Macondo Slaps the Invisible Hand Day 26-51



Macondo Slaps the Invisible Hand Day 51-75



Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: Offshore Activity and Economics after BP Macondo Spill

First appeared as part of the conference materials for the 2010 Offshore E&P, and Shale Gas Development session
"Offshore Activity and Economics after BP Macondo Spill"