

June 22, 2010

Anne Harkavy

+1 202 663 6756(t)

+1 202 663 6363(f)

anne.harkavy@wilmerhale.com

BY ELECTRONIC DELIVERY

Hon. John Conyers, Jr. Chairman
Committee on the Judiciary
United States House of Representatives
2426 Rayburn House Office Building
Washington, DC 20515

Re: Response to Chairman Conyers' Correspondence, Dated June 16, 2010, to Mr. Darryl Willis, Vice President, Resources, BP America, Inc.

Dear Chairman Conyers:

I am writing on behalf of BP America, Inc. ("BPA") in response to your June 16, 2010 letter to Mr. Darryl Willis, Vice President, Resources, of BP America, in which you requested that BP provide to you -- in addition to the information already captured in the daily Coast Guard Reports we provide that track and summarize claims activity -- an overall aggregate dollar amount of requested claims not yet paid.

First, as discussed with your staff today, the information you have requested -- "the amount of requested but unpaid claims" -- is not gathered or tracked on either an individual or aggregate basis. ESIS, the contractor hired by BP to provide claims management services, does not collect or track this information. Accordingly, BPA does not possess and cannot provide this data.

Second, the approximately \$600 million figure described in your June 16 letter as the "total amount requested" is not, in fact, the total amount requested by claimants, nor is it a "sum certain" or "a demand" total under the Oil Pollution Act. As explained to your staff today by Mr. Willis and by Mr. Gregory Smith, Director of Catastrophic Services for ESIS, the \$600 million figure reflects the aggregate of a placeholder "reserve" value ESIS creates and uses to open a claim file. The reserve figure ESIS uses is not based on a request by the claimant and is not tied to the individual circumstances of a particular claimant. (The ESIS system was created to serve the needs of insurance companies, which use it to create reserves for insurance adjustment purposes; it is not being used by BP for that purpose.)

Finally, as you know, on June 16, 2010, President Obama announced that BP will establish an independent claims facility, which will be led by Ken Feinberg, who previously directed the September 11, 2001 claims process. Mr. Feinberg has begun evaluating the current claims process and, during this transition period, he is making independent determinations about how the process should work going forward. Consistent with the commitment that BP made to the President to create an independent claims facility, any decision about what data should be collected and tracked going forward is a decision for Mr. Feinberg, not for BP, as he evaluates

Hon. John Conyers, Jr. Chairman
June 22, 2010
Page 2

the current system. He is currently in the process of meeting with key stakeholders, including the Department of Homeland Security and the Governors of affected states, and he would be happy to meet with the Committee as well so that he understands your concerns as he makes his assessment.

If you have further questions, please contact me or Liz Reicherts at 202-457-6585

Sincerely,



Anne Harkavy

cc: Mr. Kenneth Feinberg
The Honorable Lamar Smith, Ranking Member
Ms. Stephanie A. Morrison, Coast Guard House Liaison Office