


*Rex W. Tillerson
Chairman and CEO, Exxon Mobil Corporation
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Chairman Markey... Ranking Member Upton... members of the Subcommittee.

Of the many issues on the energy agenda, none is more pressing than the accident and spill unfolding in the Gulf of Mexico.

As someone who has spent his entire career in the energy industry, it is deeply saddening to see the loss of life... the damage to environmentally sensitive areas... the effect on economic livelihoods... and the loss of public trust in the energy industry that has resulted.

Clearly, this incident and the response will have important consequences for the environment, for the citizens and businesses of the Gulf Coast, and for our nation's energy policy.

It is essential that we understand the events that led to this unprecedented accident, and take corresponding steps to further reduce the likelihood of a similar event ever occurring again.

An expert, impartial and thorough approach to understanding what happened is crucial because this incident represents a dramatic departure from the industry norm in deepwater drilling.

Understanding the facts surrounding this incident is critical to informing the long-term policy and operational response.

We are eager to learn what occurred at this well that did not occur at the 14,000 other deepwater wells that have been successfully drilled around the world. It is critical we understand exactly what happened in this case, both the drill well design and operating procedures, and the execution of the drilling plans, which led to such severe consequences. We need to know if the levels of risk taken went beyond industry norms.

Based on the industry's extensive experience, what we do know is that when you properly design wells for the range of risk anticipated... follow established procedures... build in layers of redundancy... properly inspect and maintain equipment... train operators... conduct tests and drills... and focus on safe operations and risk management, tragic incidents like the one in the Gulf of Mexico today should not occur.

For many, current events bring back memories of the 1989 Exxon Valdez tanker spill.

That accident was the low-point in ExxonMobil's history. But it was also a turning point. In the aftermath, we launched a full-scale, top-to-bottom review of our operations, and implemented far-reaching actions that today guide every operating decision we make on a daily basis. An overriding commitment to safety excellence is embedded in everything we do, with a daily commitment by our employees and contractors to a culture that "Nobody Gets Hurt."

In the early 1990's, we began development of our Operations Integrity Management System, or OIMS – a rigorous regime of 11 separate elements that measures and mitigates safety, security, health and environmental risk. It is significant that the first element of OIMS is management leadership and accountability.

This management system applies to every operation we undertake. It is our common global language for safety and accountability. And when we do have incidents, we seek to learn from them so that we continuously improve our performance. It is a system which requires internal and external assessment of each business unit's progress towards complying with all 11 elements.

With respect to drilling, ExxonMobil has drilled almost 8,000 wells worldwide over the last ten years. Of these, 262 have been in deepwater, including 35 in the Gulf of Mexico.

The standards and requirements that operate within OIMS dictate our approach to drilling, as they do for all of our other operations. We have documented standards for equipment and well design. We utilize proprietary technology to predict pressures and model resource flow, and we carefully analyze that information to both understand and reduce risk. We ensure everyone onboard the rig, contractors included, knows their roles and responsibilities and that all operations must be in compliance with ExxonMobil's expectations and standards. And we test this knowledge through regular drills and exercises.

Sticking to this system has required us to make some difficult decisions. We do not proceed with operations if we cannot do so safely.

The American people have shown their support for deepwater drilling – but they expect it to be done safely and in an environmentally sensitive way.

They have supported it because they understand it is important. In the Gulf of Mexico, it accounts for about 24 percent of U.S. oil production. Oil and gas activity in the Gulf, including deepwater drilling, accounts for approximately 170,000 direct and indirect jobs. Worldwide, deepwater production is estimated to, in a few years, equal nearly the entire production of Saudi Arabia. And it is a vital part of an industry that supports more than 9 million full- and part-time American jobs and adds \$1 trillion to our Gross Domestic Product.

These facts show how critical it is that all industry participants have the trust of the American people. We can secure this trust if we take the time to learn what happened and develop our response appropriately to ensure that every participant acts responsibly, learns the right lessons and upholds the highest standards.

The American people deserve nothing less. Thank you.