

Phoenix Rising from the Gulf

Just another WordPress.com site

BP Oil Spill Cover-up & “Cleanup”: Disaster Capitalism At Its Worst

Posted on [November 10, 2010](#) by [concernedcitizensofflorida](#)

Has the Post-Disaster Recovery Program become a profitable scam? – Part IIIc of Root Causes.

- BK Lim

9 Nov 2010

As we have seen in many cases, disasters can be highly profitable for those who know in advance or privileged few in the know (PFIK). This is very clear from the pattern of massive selling by BP’s directors and Goldman Sachs before the advent of an impending disaster. See [A pattern of massive shares sell-off by BP directors prior to expected disasters](#).

Though hard to believe, there are many who would profit without hesitation upon the miseries of others. A mega-disaster like the BP’s Oil Spill is one of those. Sometimes it is hard to say if a prescribed cure is supposed to make you feel better or improve the bottom line of the one prescribing it. Time will always tell, as it is revealing in the case of the BP Gulf Oil disaster.

Just as it would be highly improper for surgeons to mislead on the medical procedures, BP the “doctor” should lose its “medical license” and be held criminally liable for deliberate misleading information on so many occasions. Six months later, NOAA and the Presidential Investigative Panel should have been able to evaluate not only the effectiveness of the medicine prescribed but also the manner it was administered. If these regulatory bodies are still sleeping on their job after six months, then either delinquency or corruption has already set in.

By most accounts BP, NOAA and all the regulatory bodies fared poorly in this disaster. Later postings will delve into the technological and geological aspects. In this posting, we will concentrate on the question whether the post-disaster recovery program had become a profitable scam. It goes without saying that BP as an organization would suffer hefty financial losses not monetary gains. That would make it all the more; much “safer” for the privileged few to profit personally. Evidence of profit motives in the post-disaster recovery efforts would substantiate earlier suspicions that this disaster had been allowed to happen.

It is an undeniable fact that corners are cut everyday across the globe in almost every sector of human societies. Of all the industries, the offshore oil industry is the most regulated with the most stringent HSE policies. Hence it is logically impossible for a potential mega disaster to sail through the elaborate screening “Check & Balance” process. Unlike wildcat drillings in the pre-seventies, every location to be drilled had to be evaluated with respect to exploration and production objectives, shallow geohazards, seabed and logistics problems. That is why few mega-disasters occurred even though near-misses and accidents do occur on a daily basis. By all accounts, this disaster could have been averted. Yet it was allowed to happen. Why?

Obviously there must be a profit motive, not for BP but for the PFIK. Having established this fact we will proceed to examine the deliberate misleading information BP has been giving recently. In every post-disaster recovery efforts, there is the right way and the wrong way. No crime is committed, even if the wrong (but profitable) way was deliberately chosen. There is no lack of senseless recovery works that can be carried out without contributing anything to the recovery or the welfare of the Gulf Victims (environment, people and marine wildlife). Readers

can contribute more examples but for now we concentrate on the high cost items.

Four Drilling Rigs at Site

We can argue until the cows come home on BP's intentions but does BP really need four expensive rigs at the cost of 0.5 to 1 million USD/day at the Macondo site? Even if they need to drill more wells (relief or otherwise) it would stretch resources to the hilt with 5 wells going together within the same site. But if the intention is to chalk up tax-deductible expenses for the idling rigs then it made sense. No wonder the recovery costs keep ballooning especially in early November with an additional 7.7 billion USD.

Normal exploration budgets are guided by precedence. In a mega-disaster, there is virtually no cost control. Would BP exploit the disaster to dump all their idling rigs into the Macondo site? You bet BP will, given its opportunistic instincts. BP's unfortunate partners (Mitsui and Anadarko) will have to foot 10% and 25% respectively. Few would dare to question the need for four drilling rigs under classified disaster circumstances. Is that why the Live Feed from West Sirius ROV1 is still shown on BP's website even though West Sirius had moved out of the Macondo site to park at the edge of Mississippi Canyon, south of Grand Isle? Obviously the ROV1 cannot be deployed from West Sirius to work at the Macondo site 165km away. Alternatively if the ROV1 is working at the Mississippi Canyon (for whatever reasons), the daily operation cost of West Sirius cannot be charged to the Macondo Post-Disaster Recovery Program (MPDRP). Any responsible corporation would not cheat and evade tax on an unfortunate disaster.

It would probably look less absurd if West Sirius was sitting within the Macondo Site. It however, moved out less than a week (3 NOV) after an earlier posting ([A New Drilling Rig At Macondo Site](#)) questioned the need for 4 drilling rigs to be stationed so close to each other. Drilling rigs normally work in isolation with support vessels. This was strange when Well A was already declared capped in mid July and permanently killed in mid Sept by DD3 at Relief Well C.

There was not much news on DD2 at Relief Well D. Industry's experts were surprised when BP spared no efforts to drill 2 relief wells when one should be sufficient. Anyone questioning the need for two relief wells in May would have been scorned, if not "executed" in the press. This is the unconstrained purchasing power of any disaster; 911, Afghan War, Iraqi War or any disaster-relief efforts. You question, you die either by character assassination or ... !

Anyway, it was thought to be a good PR move, to show the world that BP would spare no effort to contain the spill. Those with the "evil thoughts" that BP could be fielding the additional drilling rig to pad up the MPDRP expenses had to hold their tongues and wait to be vindicated. But when the Discovery Enterprise (DE) was added on and all the 3 rigs (DE, DD2 and DD3) did not demobilize from site after the completion of the relief wells, the suspicion firmed up. When the West Sirius moved in, all doubts were erased.

Drilling rigs that do not drill offer many corrupt opportunities. With skeletal maintenance crew and cooperation between the operation managers of BP and contractors, the lure to "capitalize" on operational costs for unused operation workers is just too high to ignore. Even at the minimum average of 500 USD/day/worker for 100 workers works out to be 1,500,000 USD/month per rig. This common scam of fielding virtual workers is undetectable by outside parties except the most diligent accountant / QC consultant.

Materials, consumables and disposable instruments offer abundant opportunities for site managers to cooperate

with suppliers to cheat. Besides wastage, the important question is "Are some of the work at site warranted or merely to line the pockets?" It is virtually impossible to QC the volume needed to grout the seafloor, notwithstanding whether they were effective or necessary. Like virtual workers, the reported amount consumed could actually be more than triple the actual amount used. No wonder contractors, body shops and suppliers laughed all the way to the bank, and workers paid handsomely with bonuses do not talk.

If anyone has any doubt in this, just look up the drilling rig position at www.marinetraffic.com. For months tracking the drilling rigs' position was never a problem. A week after [A New Drilling Rig At Macondo Site](#) was posted on 31 Oct, the position of these rigs went haywire. DE was flung (virtually) to Lake Superior, DD2 to South Pacific and DD3 to Arctic, Africa and South Pacific. It is hilarious that BP would control www.marinetraffic.com website to adulterate the satellite position. These position anomalies just confirmed the accuracy of this report and our previously reported ROV coordinates adulteration. It also confirms BP's record spending on buying up websites like The Oil Drum and bloggers so that they speak kindly of BP in spite of BP's evil deeds. No wonder the mainstream media all over the world speak with one silent voice on BP's misguided ways. Now you understand.

So when BP says "We Are Here To Stay And Make Things Right", they probably meant it wholeheartedly. Who wouldn't? With impunity for causing any disaster (Alaska pipeline, Texas Refinery, Macondo and future) life is good for BP in America when they make things right (for themselves).

The following diagrams plot the movements and current locations of the relevant drilling rigs.

Position of Development Driller 2:

DD2

[Edit this vessel](#) [Viewed this Sale](#)

Vessel's Details

Ship Type: Other
 Length x Breadth: 135 m x 70 m
 Speed recorded (Max / Average): 5.8 / 3.8 knots
 Flag: Vanuatu (VU)
 Call Sign: YJLU
 IMO: 8155113, MMSI: 56371000

Last Position Received

Area: Mexico Gulf
 Latitude / Longitude: [34.4175° N / 95.2224° W \(Map\)](#)
 Currently in Port:
 Last Known Port:
 Info Received: 1d 0h 11min 50s ago
[Current Vessel's Track](#)
[Historical History](#)

Voyage Related Info (Last Received)

Draught: 29 m
 Destination: 00232
 Info Received: 2010-11-07 03:45 (2d, 17h 66min 7s ago)

Recent Port Calls:

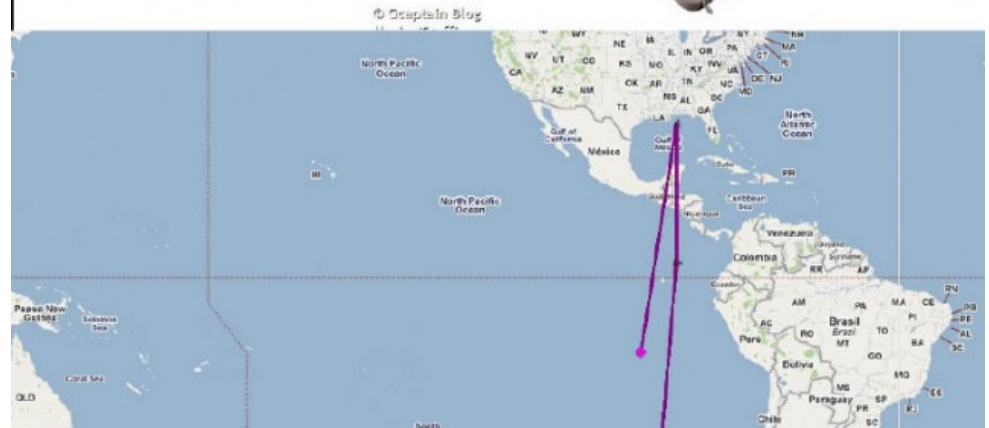
No Records Found

Ex Names History

No Records Found



Position of Development Driller 3:



Position of Discoverer Enterprise:

DISCOVERERENTERPRISE

[Get this vessel](#) [Viewed for Sale](#)

Vessel's Details

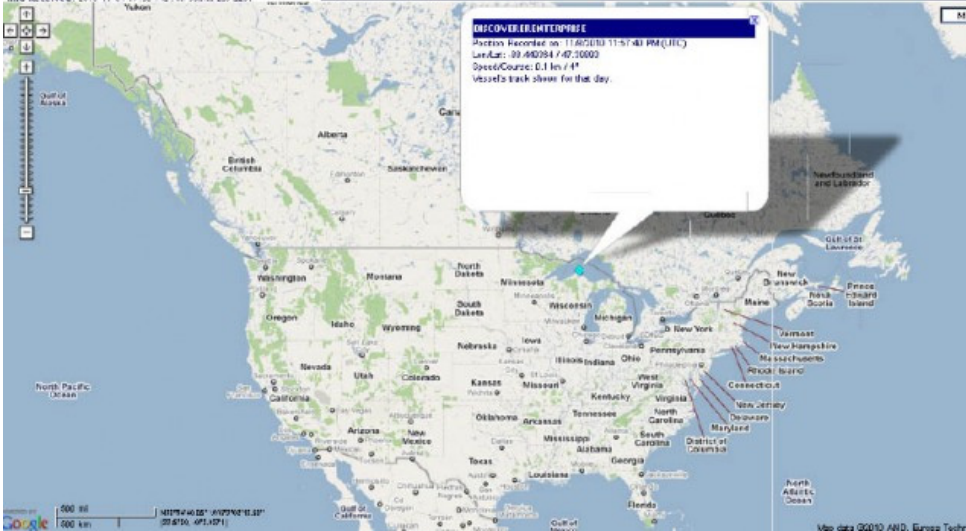
Ship type: **Crudegr**
Year built: 1999
Length x Breadth: 251 m x 36 m
Deadweight: 47000 t
Speed recorded (Max / Average): 5.5 / 3.2 knots
Flag: **Marshall Is (MH)**
Call sign: **N7801**
IMO: 9106792 **HAZID**: 53002215

Last Position Received

Area: **Arctic Gulf**
Latitude / Longitude: **47.32913° N, -88.44136° W**
Currently in Port:
Last Known Port:
Info Received: 30 Oct 16:30:48 ago
[Current Vessel's Track](#)
[Historical History](#)

Voyage Related Info (Last Received)

Dr weight: 12 m
Destination: **ANC52**
ETA: 2010-08-12 04:00
Info Received: 2010-11-04 17:20:48 (48 30hrs 20s ago)



Ads by Google

[A society without](#)

progressive-left voices is like a body without a soul. Read NI mag.

www.newint.com.au/shop



About concernedcitizensofflora

Live in North Florida

[View all posts by concernedcitizensofflora →](#)

This entry was posted in Uncategorized. Bookmark the permalink.

Phoenix Rising from the Gulf

Blog at WordPress.com.