



News Release

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Marine Well Containment Company and Shell Complete Successful Demonstration of Capping Stack in the U.S. Gulf of Mexico

Houston, TX, July 30, 2012 – Marine Well Containment Company (MWCC), Shell Oil Company and the Bureau of Safety and Environmental Enforcement (BSEE) today announced the successful demonstration of the industry's ability to respond to a deepwater well control incident in the U.S. Gulf of Mexico.

At the direction of the Department of the Interior and BSEE, MWCC initiated mobilization of its containment system, including the physical deployment of the capping stack, the centerpiece of the system. The single ram capping stack stands roughly 30 feet tall, 14 feet wide and weighs about 100 tons.

The equipment was loaded onto the *Laney Chouest* at the Houston ship channel and deployed to a simulated well in the deepwater Gulf of Mexico. Once offshore, the capping stack was lowered approximately 6,900 ft. on a wire and latched to a simulated wellhead, where all necessary functions were completed and pressure testing confirmed the ability to control a well.

"Through this demonstration, we effectively validated our ability to safely and effectively respond to a well control incident in the deepwater U.S. Gulf of Mexico," said Marty Massey, MWCC Chief Executive Officer. "This demonstration is further proof that we have the right people, processes and equipment in place to be continuously ready to respond."

The mobilization, function and pressure testing performed as expected and were within the anticipated timeline. The capping stack and ancillary equipment are currently being transported back to shore, where they will be available for mobilization should they be needed.

BSEE inspectors and engineers monitored the demonstration from MWCC headquarters, Unified Command and the two vessels transporting the equipment offshore. Throughout the demonstration, BSEE Director James Watson met with MWCC and Shell to witness the various phases of system deployment, and participated in daily Unified Command briefings with the Department of Interior.

"BSEE's focus is safety at all levels and all times for our country's offshore oil and gas program," BSEE Director James Watson said. "The successful completion of this deployment demonstration is significant to the safe advancement of deepwater exploration. Through our regulatory program, BSEE continues to help ensure that industry operates safely."

The success of the demonstration is the result of a strong collaboration that began in 2010 between government and industry, particularly MWCC members. MWCC has 10 member companies, including Shell. To date, more than 55 deepwater drilling permits that cite the MWCC system have been approved.

“Shell is proud of the industry’s ability to successfully demonstrate the Marine Well Containment Company system,” said John Hollowell, Executive Vice President, Shell Upstream Americas. “This is an important tool in our emergency response efforts, but our focus remains on prevention of any and all incidents. The success of the demonstration was a direct result of strong collaboration with the Bureau of Safety and Environmental Enforcement, the United States Coast Guard and the Marine Well Containment Company team.”

Photos of the demonstration are available on the MWCC media page at www.marinewellcontainment.com. Video of the demonstration will be available later today.

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About Marine Well Containment Company

Marine Well Containment Company (MWCC) is a not-for-profit, independent organization committed to improving response capabilities for containing a deepwater well control incident in the U.S. Gulf of Mexico. Membership is open to all oil and gas operators in the U.S. Gulf of Mexico. More information about MWCC is available at www.marinewellcontainment.com

About Shell Oil Company

Shell Oil Company is an affiliate of the Royal Dutch Shell plc, a global group of energy and petrochemical companies with approximately 90,000 employees in more than 80 countries. In the U.S., Shell operates in 50 states and employs nearly 20,000 people working to help tackle the challenges of the new energy future. Shell Oil Company is a leading oil and gas producer in the deepwater Gulf of Mexico, a recognized pioneer in oil and gas exploration and production technology and one of America’s leading oil and natural gas producers, gasoline and natural gas marketers and petrochemical manufacturers. Please visit www.shell.us for more information.

About the Bureau of Safety and Environmental Enforcement

BSEE works to promote safety, protect the environment, and conserve resources offshore through vigorous regulatory oversight and enforcement. BSEE’s Offshore Regulatory Program develops standards and regulations to enhance operational safety and environmental protection for the exploration and development of offshore oil and natural gas on the U.S. Outer Continental Shelf (OCS). Following the Deepwater Horizon tragedy, the Department of the Interior instituted reforms that required offshore operators to have the ability to deploy containment resources, such as a capping stack, in response to a blowout or other loss of well control.