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NEWS RELEASE

New Oil Spill Containment System to Protect Gulf of Mexico Planned By Major Oil Companies

WASHINGTON, D.C., July 22, 2010 – A plan to build and deploy a rapid response system that will be available to capture and contain oil in the event of a potential future underwater well blowout in the deepwater Gulf of Mexico was announced today by Chevron, ConocoPhillips, ExxonMobil and Shell.

The new system will be flexible, adaptable and able to begin mobilization within 24 hours and can be used on a wide range of well designs and equipment, oil and natural gas flow rates and weather conditions. The new system will be engineered to be used in deepwater depths up to 10,000 feet and have initial capacity to contain 100,000 barrels per day with potential for expansion.

The companies have committed \$1 billion to fund the initial costs of the system. Additional operational and maintenance costs for the subsea and modular processing equipment, contracts with existing operating vessels in the Gulf of Mexico and any potential new vessels that may be constructed will increase this cost commitment.

This system offers key advantages to the current response equipment in that it will be pre-engineered, constructed, tested and ready for rapid deployment in the deepwater Gulf of Mexico. It is being developed by a team of marine, subsea and construction engineers from the four companies.

The system will include specially designed subsea containment equipment connected by manifolds, jumpers and risers to capture vessels that will store and offload the oil. Dedicated crews will ensure regular maintenance, inspection and readiness of the facilities and subsea equipment.

The four companies will form a non-profit organization, the Marine Well Containment Company, to operate and maintain this system. Other companies will be invited and encouraged to participate in this organization.

Work on this new containment system is being accelerated to enhance deepwater safety and environmental protection in the Gulf of Mexico, which accounts for 30 percent of U.S. oil and gas production and supports more than 170,000 American jobs.

The sponsor companies will proceed immediately with the engineering, procurement and construction of equipment and vessels for the system. ExxonMobil will lead this effort on behalf of the four sponsor companies.

The companies are also actively involved in significant industry efforts to improve prevention, well intervention and spill response. This includes rig inspections and implementation of new requirements on blowout preventer certification and well design. The industry has proactively formed several multi-disciplinary task forces to further develop improved prevention, containment and recovery plans.

The companies have reviewed the system with key officials in the federal Administration and Congress and will conduct briefings with other key stakeholders.

Statements from the sponsor companies:

Chevron

"Chevron knows that it can only operate with the public's confidence that the energy we need will be produced safely and reliably," said John Watson, chairman and chief executive officer of Chevron. "We are committed to advancing safe operations through enhanced prevention, better well containment and intervention and improved spill response. This new system significantly enhances the industry's ability to effectively respond to any unforeseen incidents."

ConocoPhillips

"The oil and gas industry has long been recognized as a technological leader, and the American public expects us to improve our ability to respond immediately to offshore incidents," said Jim Mulva, ConocoPhillips chairman and chief executive officer. "The creation and development of this sophisticated system will greatly enhance industry's ability to ensure a quick and effective response."

ExxonMobil

"If we all do our jobs properly, this system will never be used," said Rex Tillerson, chairman and chief executive officer of ExxonMobil. "The extensive experience of industry shows that when the focus remains on safe operations and risk management, tragic incidents like the one we are witnessing in the Gulf of Mexico today should not occur."

Shell

"As an industry, we must rebuild trust with the American people in order to demonstrate that we can produce energy in a safe and environmentally responsible manner," said Marvin Odum, president, Shell Oil Company. "Beyond Shell's absolute commitment to oil spill prevention and robust well designs, additional safeguards must be strengthened across the industry to develop the capacity to quickly respond and resolve a deepwater well blowout in the Gulf of Mexico, regardless of how unlikely it is that this situation will reoccur."

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