



Bob Dudley

President and CEO  
Gulf Coast Restoration

501 Westlake Park Boulevard  
Houston, TX 77079  
USA

July 8, 2010

Governor Bob Riley  
State Capitol  
Montgomery  
Alabama 36130

*Dear Governor Riley*

BP has announced a \$500 million commitment over a 10-year period to create a broad independent research program to be known as the Gulf of Mexico Research Initiative (GRI). The GRI will investigate the fate and effects of oil, dispersed oil, and dispersant on the ecosystems of the Gulf of Mexico and affected coastal States in a broad context of improving fundamental understanding of environmental stresses. The Initiative will also develop improved spill mitigation, oil detection, characterization and remediation technologies. The ultimate goal of the research efforts will be to improve society's ability to mitigate the impacts of hydrocarbon pollution and other stressors of the marine environment, with an emphasis on conditions found in the Gulf of Mexico.

The bulk of the GRI activity will be funded through a RFP process coordinated by an Advisory Council of independent, scientific experts with deep understanding of the technical content and research management issues of a program of this magnitude. However, in recognition of the fact that the process for awarding funding will take some months to complete, and in keeping with suggestions made during the 4 June 2010 meeting at LSU, BP has decided to make a proportion of the \$500 million total available through a number of grants to Gulf institutions or consortia of institutions. These grants are intended to support immediate needs of Gulf based researchers and their collaborators with research aims that are consistent with the overall objectives of the GRI, i.e., they are intended to accelerate the understanding of the fate and effects of oil in Gulf of Mexico ecosystems.

BP is offering a grant of \$5,000,000 to the Marine Environmental Sciences Consortium, hereinafter known as Consortium, to be used in support of research with the Consortium's collaborating academic institutions.

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Research projects should be consistent with the goals and conditions set forth herein. Decisions regarding distribution of funds should be made in consultation with representatives from the member organizations.

If this grant is accepted by the Consortium, BP requires the following:

- Funds received from BP are to be spent on immediate research needs consistent with the aims of GRI. The Consortium is expected to ensure that the majority of funds are either spent or committed by the end of 2010, with the balance being used as soon as is practical thereafter.
- Project proposals should be peer-reviewed and approved by appropriate experts before project commencement.
- The resulting data, measurement information and findings will be made fully and openly available as quickly as practical in accordance with standard practice applicable to this type of research. BP should be informed when such information is made available.
- Reports and papers should be published in the tradition of academic science, including significant peer review by appropriate independent experts.

The Research Program will be managed in the tradition of full academic freedom and independent peer-review, and BP's support shall in no way interfere with the academic freedom of the research institutions. BP values the Consortium's combined expertise and looks forward to the scientific findings that will result from the work that will be funded by this grant.

By accepting this grant, BP understands that (i) the Consortium in conducting the research projects funded by the grant will be operating as an independent entity and not as an agent or employee of BP, (ii) the Consortium will use the grant solely to administer funds and to fund the research projects described above, and will not transfer or assign any portion of the grant to any person or entity not affiliated or directly collaborating with the Consortium (iii) the Consortium will comply with all applicable laws and regulations in conducting such research projects, including without limitation all applicable standards regarding health, safety and the environment, and (iv) the Consortium, to the extent relevant and practical, will utilize other appropriately collected and analyzed samples and other relevant data including that generated through internal BP studies, EPA and NOAA work and data produced or obtained in connection with natural resource damage assessments undertaken pursuant to the Oil Pollution Act.

As the GRI RFP process moves forward, BP encourages the Consortium (or any combination of its collaborating institutions) to respond to the RFP,

either as partners with another institution or consortium of institutions or as a host institution, consistent with terms to be announced in the GRI RFP. Acceptance of the funds awarded by virtue of this letter will not influence the Consortium's eligibility to compete for additional funds consistent with the terms that will be announced in the GRI RFP.

Please sign a copy of this letter and return a hard copy to my office and a scanned pdf to James.Breson@bp.com to indicate your acceptance of the terms described above. The grant shall then be made to the Consortium pursuant to the wire instructions that you provide us.

*Yours sincerely,  
Bob Dudley*

*Genevieve,  
We look forward  
to working with  
your team on  
GRI! Bob*

BP Exploration & Production Inc.

Accepted By:

Marine Environmental Sciences Consortium

By: *V. Gordon Moulton* 7/28/10

Name: V. Gordon Moulton

Title: Chair, Executive Committee  
Marine Environmental Sciences Consortium