

U.S. pressures BP over oil spill as Obama visits Gulf

Reuters

VENICE, Louisiana (Reuters) - A vast oil slick bore down on the Gulf Coast on Sunday, threatening an economic and ecological disaster as President Barack Obama sharpened his criticism of BP Plc and pressed the energy giant to halt the oil gushing from its ruptured well.

"Let me be clear: BP is responsible for this leak. BP will be paying the bill," said Obama as he visited the area and pledged a "fully coordinated, relentless relief effort" in the region where the coastlines of four Gulf states are being menaced.

The swelling black tide threatens wildlife, beaches and one of the nation's most fertile fishing grounds stretching across the Mississippi Delta from Louisiana to Florida.

"We are dealing with a massive and potentially unprecedented environmental disaster," Obama said.

The president toured wetlands in Louisiana at risk from the oil spill, and flew over the coastal areas containing fisheries that could be most affected by the slick.

Desperate efforts above and below the ocean surface -- using boats, planes and even an underwater robotic vehicle -- to check the oil flow and disperse and contain the spreading slick were being hampered by high winds and rough seas.

The government suspended fishing on Sunday across a wide swath of its Gulf of Mexico waters, on worries about contamination of seafood.

"This is a terrible day. People can still fish west (of the Mississippi river) but if the oil keeps flowing the whole coast could be closed down," Roger Halphen, whose whole family is involved in commercial fishing, told Reuters in Venice.

A team of government agencies is working on relief, but Obama and his deputies made it clear BP would be on the hook for what could be billions of dollars in cleanup costs.

"BOOT ON THE NECK" OF BP

"Our job basically is to keep the boot on the neck of British Petroleum," Interior Secretary Ken Salazar said on CNN's "State of the Union" program on Sunday.

The final bill for cleaning up the spill could be \$7 billion, said Neil McMahon, analyst at investment firm Bernstein in London. Analysts at Morgan Stanley put the figure at

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\$3.5 billion.

Since the Deepwater Horizon rig exploded and sank last month, claiming 11 lives, hundreds of thousands of gallons of crude has been gushing into the Gulf with no quick or easy sol

BP is simultaneously working on five plans to stop the flow of oil, including installing domes to collect the oil on the seabed and bring it to the surface and installing a new blow-out preventer to replace the equipment that failed, company officials told a media briefing.

The first of two domes will be deployed in the next six days. BP is also preparing to drill two relief wells, but rough weather has hampered its efforts. Underwater dispersants are in use to break up the crude before its reaches the surface.

BP officials said shutting off the well nearly one mile underwater on the ocean floor is an extraordinarily complicated operation that could take weeks and months.

It was like performing "open heart surgery at 5,000 feet in the dark with robot-controlled submarines," BP America Chairman and President Lamar McKay told ABC News.

Shares of BP and other companies involved in operating the lost rig plummeted last week as fears mounted of growing financial costs and legal liability from the accident.

The looming disaster threatens to eclipse the 1989 Exxon Valdez catastrophe in Alaska, the worst previous U.S. oil spill to date. The Valdez spill, caused by a wrecked oil tanker, spilled an estimated 10.8 million gallons (40.9 million liters) of crude oil into Alaska's remote Prince William Sound.

WORST CASE SCENARIO

Government officials are having difficulty guessing how much oil is spilling from the deepwater well, but have raised their initial estimate of 5,000 barrels a day.

"The worst case scenario is we could have 100,000 barrels (4.2 million gallons, or 15.9 million liters) flowing out (per day)," Salazar said.

"The actual amount is impossible to estimate," Doug Suttles, chief operating officer of BP's exploration and production unit, said on CBS News.

The Coast Guard has laid hundreds of thousands of feet of protective booms to try to halt the encroaching oil, but high winds and rough seas were hampering deployment of the barriers and efforts by boats and planes to spray chemical dispersant on the oil.

The National Oceanic and Atmospheric Administration announced it was closing commercial and recreational fishing for at least 10 days in affected waters between

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Louisiana at the mouth of the Mississippi River to Florida's Pensacola Bay.

The area accounts for the bulk of U.S. production of oysters and shrimp. The Gulf supports a seafood industry that is second only to Alaska within the United States.

In 2008, commercial fishermen harvested more than 1 billion pounds of fish and shellfish in the Gulf of Mexico, out of total U.S. production of 8.3 billion pounds, NOAA said.

The Gulf Coast is home to hundreds of species of wildlife, including manatees, sea turtles, dolphins, porpoises, whales, otters, pelicans and other birds.

Obama's visit came at a time when his administration had been criticized for acting too slowly in response to the growing problems.

The spill has also forced Obama to suspend politically sensitive plans to expand offshore oil drilling, unveiled last month partly to woo Republican support for climate legislation, one of the U.S. leader's priorities.

The Minerals Management Service said two U.S. offshore Gulf of Mexico production platforms had been shut down and a third was evacuated as a safety precaution. Further shutdowns were possible, it added, but the output affected so far was very small.

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