BP Official Resigned Over Safety Issues Prior to Gulf Spill

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HOUSTON (AP) - A former official with BP's drilling operations in the Gulf of Mexico resigned just months before last year's oil spill because of disagreements with the oil giant over its commitment to safety, according to a class-action federal lawsuit related to the spill.

Documents filed Monday night in Houston claim Kevin Lacy, BP's former senior vice president for drilling operations for the Gulf of Mexico, reached a mutual agreement with the company to resign in December 2009 because he believed the company was not adequately committed to improving safety protocols in offshore drilling operations to the level of its industry peers. The Deepwater Horizon rig explosion occurred on April 20, 2010, killing 11 workers and causing the worst oil spill in U.S. history.

The claims come in an amended version of the lawsuit, originally filed last year, that alleges BP inflated its stock price by hiding information and making false and misleading statements about its safety practices before the Gulf of Mexico oil spill. BP's stock value dropped roughly in half following the oil rig explosion and spill.

BP spokesman Daren Beaudo declined to comment on the lawsuit.

Public pension funds in New York and Ohio are the lead plaintiffs in the suit, which also includes individual investors and the Oklahoma police pension system. Similar lawsuits by the different plaintiffs originally were filed in New Orleans but were consolidated and moved to Houston federal court.

The amended complaint claims that a company reorganization that began in 2007, which resulted in numerous layoffs and cuts to safety budgets, "would materially affect the Company's ability to drill safely in the Gulf of Mexico."

"Lacy's departure from the Gulf of Mexico drilling unit in December 2009 coincided with other additional and extensive reshuffling of personnel in the BP Gulf of Mexico drilling unit . such that by the time of the Deepwater Horizon incident, four out of five of BP's senior drilling officials for the Gulf of Mexico had only been in their posts for a few months," according to the lawsuit.

The lawsuit cites a confidential witness for information about cutbacks and layoffs in safety programs and budgets.

The suit said Lacy, an experienced drilling engineer who had implemented a rigorous drilling safety program while at Chevron, had been recruited to join BP in 2007 to improve and standardize its drilling policies and protocols.

A telephone number was unlisted for Kevin Lacy in Houston.

The amended complaint also listed various accidents and safety problems BP had before the oil spill, incidents which have been previously detailed in other lawsuits and investigations of the oil giant.

The oil rig blast led to more than 200 million gallons of oil spewing from BP's well a mile beneath the Gulf of Mexico, according to government estimates.

The Justice Department is conducting on ongoing criminal investigation and already has sued some of the companies involved. A presidential commission that investigated the spill said last month that management failures at BP, rig owner Transocean Ltd. and contractor Halliburton Co. led to the blowout and explosion.

BP's own investigation shared the blame among itself, Transocean and Halliburton.

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http://www.chem.info/news/2011/02/bp-official-resigned-over-safety-issues-prior-gulf-spill