

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS

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<b>UNITED STATES OF AMERICA,</b>	)	
	)	
<b>Plaintiff,</b>	)	
	)	<b>Civil Action No. 4:23-cv-03317</b>
<b>vs.</b>	)	
	)	
<b>TRANSOCEAN OFFSHORE</b>	)	
<b>DEEPWATER DRILLING INC.,</b>	)	
	)	
<b>Defendant.</b>	)	

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**CONSENT DECREE**

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Plaintiff United States of America, on behalf of the United States Environmental Protection Agency (“EPA”), has filed a Complaint in this action concurrently with this Consent Decree, alleging that Defendant, Transocean Offshore Deepwater Drilling Inc. (“Transocean”), violated Sections 301(a) and 309(d), 33 U.S.C. §§ 1311(a) and 1319(d), of the Clean Water Act (“CWA” or “Act”), 33 U.S.C. § 1251 *et seq.*

The Complaint against Transocean alleges that Transocean owned or operated Vessels in the Gulf of Mexico that were subject to the requirements of the National Pollutant Discharge Elimination System (“NPDES”) General Permits for New and Existing Sources and New Dischargers in the Offshore Subcategory of the Oil and Gas Extraction Point Source Category for the Western Portion of the Outer Continental Shelf of the Gulf of Mexico issued pursuant to the Act that became effective October 1, 2012 and expired September 30, 2022.

The Complaint further alleges that Transocean violated Sections 301(a) and 309 of the Act, 33 U.S.C. §§ 1311(a) and 1319, by discharging pollutants into the Gulf of Mexico without obtaining coverage under those permits (*i.e.*, unpermitted discharges), discharging pollutants into the Gulf of Mexico in excess of effluent limits, submitting inaccurate discharge monitoring reports (“DMRs”), failing to submit, or timely submit, DMRs, failing to retain required records, and failing to conduct required monitoring and inspections.

Transocean does not admit any liability to the United States arising out of the transactions or occurrences alleged in the Complaint.

The Parties recognize, and the Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith and will avoid litigation between the Parties and that this Consent Decree is fair, reasonable, and in the public interest.

NOW, THEREFORE, before the taking of any testimony, without the adjudication or

admission of any issue of fact or law except as provided in Section I, and with the consent of the Parties, IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of this action, pursuant to 28 U.S.C. §§ 1331, 1345, and 1355, and Section 309(b) of the Act, 33 U.S.C. § 1319(b), and over the Parties. Venue lies in this District pursuant to Section 309(b) of the Act, 33 U.S.C. § 1319(b), and 28 U.S.C. §§ 1391(a) and 1395(a), because Transocean resides and is located in this judicial district. For purposes of this Decree, or any action to enforce this Decree, Transocean consents to the Court's jurisdiction over this Decree and any such action and over Transocean and consents to venue in this judicial district.

2. For purposes of this Consent Decree, Transocean agrees that the Complaint states claims upon which relief may be granted pursuant to Sections 301 and 309 of the Act, 33 U.S.C. §§ 1311 and 1319.

II. APPLICABILITY

3. The obligations of this Consent Decree apply to and are binding upon the United States and upon Transocean and any successors, assigns, or other entities or persons otherwise bound by law.

4. Transocean shall provide a copy of this Consent Decree to all officers, employees, and agents whose duties might reasonably include compliance with any provision of this Decree, as well as to any contractor retained to perform work required under this Consent Decree. Transocean shall condition any such contract upon performance of the work in conformity with the terms of this Consent Decree.

5. In any action to enforce this Consent Decree, Transocean shall not raise as a defense the failure by any of its officers, directors, employees, agents, or contractors to take any actions necessary to comply with the provisions of this Consent Decree.

### III. DEFINITIONS

6. Terms used in this Consent Decree that are defined in the Act, the regulations promulgated pursuant to the Act, or the GoM General Permit have the meanings assigned to them in the Act, such regulations, or the permit, unless otherwise provided in this Decree. Whenever the terms set forth below are used in this Consent Decree, the following definitions apply:

“Complaint” means the complaint filed by the United States in this action;

“Consent Decree” or “Decree” means this Decree;

“Day” means a calendar day unless expressly stated to be a business day. In computing any period of time for a deadline under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period runs until the close of business of the next business day;

“Transocean” means Transocean Offshore Deepwater Drilling Inc.;

“DOJ” means the United States Department of Justice and any of its successor departments or agencies;

“EPA” means the United States Environmental Protection Agency and any of its successor departments or agencies;

“Effective Date” means the definition provided in Section XIV;

“Paragraph” means a portion of this Decree identified by an Arabic numeral;

“Parties” means the United States and Transocean;

“Section” means a portion of this Decree identified by a Roman numeral;

“United States” means the United States of America, acting on behalf of EPA;

“Vessel” means a vessel or other mobile facility owned or operated by Transocean which engages in oil or gas exploration, development, or production in, or is temporarily idle in, Federal Waters of the Gulf of Mexico seaward of the outer boundary of the territorial seas off Louisiana and Texas or in the territorial seas of Louisiana or Texas, but with discharges to Federal Waters seaward of those state territorial seas;

“GoM General Permit” means the NPDES General Permit For New And Existing Sources In The Offshore Subcategory Of The Oil And Gas Extraction Point Source Category For The Western Portion Of The Outer Continental Shelf Of The Gulf Of Mexico that is in effect at the relevant time.

#### IV. CIVIL PENALTY

7. Within 30 Days after the Effective Date, Transocean must pay the sum of \$507,000 as a civil penalty.

8. Transocean shall pay the civil penalty due by FedWire Electronic Funds Transfer ("EFT") to the DOJ account, in accordance with instructions provided to Transocean by the Financial Litigation Unit ("FLU") of the United States Attorney's Office for the Southern District of Texas after the Effective Date. The payment instructions provided by the FLU will include a Consolidated Debt Collection System ("CDCS") number, which Transocean shall use to identify all payments required to be made in accordance with this Consent Decree. The FLU will provide the payment instructions to:

Sheretta Jones  
Manager, Cash Operations & Banking  
1414 Enclave Parkway

Houston, TX 77077  
Office: +1-713-232-7161  
Email: sheretta.jones@deepwater.com

on behalf of Transocean. Transocean may change the individual to receive payment instructions on its behalf by providing written notice of such change to DOJ and EPA in accordance with Section XIII (Notices).

9. At the time of payment, Transocean shall send notice that payment has been made: (i) to EPA via email at [cinwd\\_acctsreceivable@epa.gov](mailto:cinwd_acctsreceivable@epa.gov) or via regular mail at EPA Cincinnati Finance Office, 26 W. Martin Luther King Drive, Cincinnati, Ohio 45268; (ii) to DOJ via email or regular mail in accordance with Section XIII (Notices); and (iii) to EPA in accordance with Section XIII (Notices). Such notice shall state that the payment is for the civil penalty owed pursuant to the Consent Decree in *United States of America v. Transocean Offshore Deepwater Drilling Inc.* and shall reference the civil action number, CDCS Number and DOJ case number 90-5-1-1-12240.

10. Transocean shall not deduct any penalties paid under this Decree pursuant to this Section or Section VII (Stipulated Penalties) in calculating its federal income tax.

#### V. COMPLIANCE REQUIREMENTS

11. Transocean must comply with all applicable requirements of the Act including, without limitation, Sections 301 and 309, 33 U.S.C. §§ 1311 and 1319, the Act's implementing regulations, and the GoM General Permit.

12. In the event a new GoM General Permit becomes effective prior to termination of the Consent Decree, the parties shall confer to determine whether modifications to the Consent Decree are warranted, including with respect to timelines for compliance with this Consent Decree. In no event shall the terms of this Consent Decree relieve Transocean of, or act as a

shield with regard to, new or revised GoM General Permit requirements or conditions that are more stringent than the compliance requirements of this Consent Decree.

13. GoM CWA Compliance System. No later than 90 Days after the Effective Date, Transocean must (i) develop, implement, and execute systems and procedures to track its Vessel movements and operations in the Gulf of Mexico that will ensure compliance with the Act and the GoM General Permit including, without limitation, submitting timely and accurate Notices of Intent (“NOIs”), DMRs, and other required reports, and ensuring that all required inspections and monitoring are performed timely and in compliance with the Act and the GoM General Permit (“GoM CWA Compliance System”) and (ii) prepare a document or electronic equivalent describing in detail the GoM CWA Compliance System and how it will ensure compliance with the CWA and the GoM General Permit (“GoM CWA Compliance System Manual”). The nomenclature used to identify the GoM CWA Compliance System and the GoM CWA Compliance System Manual may be adapted to conform to Transocean’s internal compliance and management systems.

14. Cooling Water SOP. The GoM CWA Compliance System and the GoM CWA Compliance System Manual must include a standard operating procedure (“SOP”) to ensure that Transocean: (i) conducts cooling water intake screen inspections in compliance with the requirements of the GoM General Permit, (ii) maintains cooling water intake velocities at or below 0.5 ft/sec, (iii) minimizes impingement mortality of fish and shellfish in its cooling water intake system, and (iv) schedules and performs maintenance of monitoring devices (if applicable) or screens so as to minimize increased entrainment and impingement due to maintenance activities (“Cooling Water SOP”). The nomenclature used to identify the SOP may be adapted to conform to Transocean’s internal compliance and management systems.



15. Within five Days of completion of the GoM CWA Compliance System, Transocean must submit to EPA a certification that the GoM CWA Compliance System is complete along with a copy of the GoM CWA Compliance System Manual.

16. Third-Party Compliance Audit. Transocean must hire a qualified environmental compliance auditor (“Compliance Auditor”), subject to approval by EPA, to conduct and complete, no later than 120 Days after EPA approval of the Compliance Auditor under Paragraph 23, a review and audit of its GoM CWA Compliance System and the GoM CWA Compliance System Manual to evaluate the efficacy of that system in ensuring compliance with the Act and the GoM General Permit (“GoM CWA Compliance System Audit” or “Third-Party Audit”), and prepare a report that documents its review and audit of the GoM CWA Compliance System and documents in detail any and all actions necessary to ensure that the GoM CWA Compliance System will result in compliance with the CWA and GoM General Permit (“Third-Party Audit Corrective Actions”) going forward (“GoM CWA Compliance System Audit Report”). In the event, however, that EPA approves the Compliance Auditor earlier than 60 Days after the Effective Date, the Compliance Auditor must complete the GoM CWA Compliance System Audit within 180 Days of the Effective Date.

17. No later than 90 Days after completion of the GoM CWA Compliance System Audit, Transocean must provide a copy of the GoM CWA Compliance System Audit Report to EPA. Along with the GoM CWA Compliance System Audit Report, Transocean must provide: a description of Transocean’s Third-Party Audit Corrective Actions to address each audit finding, including schedules; an explanation of any audit finding identified by the GoM CWA Compliance System Audit Report with which the Transocean does not agree; and for any actions

recommended by the Compliance Auditor that Transocean does not intend to implement, an explanation for why Transocean will not or cannot implement the recommendation.

18. Transocean must give the Compliance Auditor a copy of this Consent Decree, a copy of the GoM General Permit, the GoM CWA Compliance System Manual, and all other information and access necessary to complete the GoM CWA Compliance System Audit required by Paragraph 16. Transocean's contract with the Compliance Auditor must require the Compliance Auditor to perform all of the duties in Paragraph 16 and upon EPA's request, within a reasonable time and upon reasonable notice, to be fully available to consult with EPA about Transocean's compliance with this Consent Decree, the CWA, and the GoM General Permit.

19. Transocean must bear all costs associated with the Compliance Auditor, cooperate fully with any reasonable requests from the Compliance Auditor, and provide the Compliance Auditor with access, upon reasonable notice, to all records, employees, contractors, properties, and vessels under Transocean's ownership or control that the Compliance Auditor deems appropriate to effectively perform the audit described in Paragraph 16. Transocean must ensure that the Compliance Auditor conducts the Third-Party Audit in accordance with the requirements of this Consent Decree.

20. Hiring Process for Compliance Auditor. No later than 30 Days after the Effective Date, Transocean must submit to EPA for approval the name and qualifications of at least one independent Compliance Auditor and certify that the proposed Compliance Auditor(s) meet the following conditions:

- a. The Compliance Auditor has experience with Section 301 of the CWA, 33 U.S.C. § 301, and with the GoM General Permit;
- b. The Compliance Auditor and its personnel have not been employed by

Transocean, have not conducted research and/or development for Transocean, and have not provided advisory services of any kind (including but not limited to design, construction, financial, engineering, legal, or consulting services) to Transocean within the last three (3) years;

c. The Compliance Auditor has not been retained by Transocean to develop, or assist in developing in any way, the GoM CWA Compliance System or the GoM CWA Compliance System Manual.

21. Each Compliance Auditor proposed by Transocean for consideration must execute the certification attached hereto as Appendix A.

22. Transocean must not employ the Compliance Auditor or its personnel to provide any other commercial, business, or voluntary services to Transocean during the audit process and for a period of at least three (3) years following the Compliance Auditor's submission of its final GoM CWA Compliance System Audit Report, and Transocean shall not provide future employment to the Compliance Auditor or any of its personnel who managed, conducted, or otherwise participated in the GoM CWA Compliance System Audit for a period of at least three (3) years following the Compliance Auditor's submittal of its final GoM CWA Compliance System Audit Report.

23. EPA will provide Transocean with notification of its approval or disapproval of Transocean's proposed Compliance Auditor(s) within 30 Days of receipt of the submission required by Paragraph 20. If EPA does not approve of any of Transocean's proposed Compliance Auditors, then Transocean must, within 45 Days of receipt of EPA's written notification, submit to EPA for approval the names and qualification of two (2) proposed alternative Compliance Auditors that meet the qualification of Paragraph 20. EPA will provide Transocean with notification of its approval or disapproval of Transocean's proposed alternative Compliance

Auditor(s) within 30 Days of receipt of the names and qualifications of two (2) proposed alternative Compliance Auditors. If EPA does not approve either of the two (2) proposed alternative Compliance Auditors, Transocean may invoke the dispute resolution procedures in Section IX (Dispute Resolution) of this Consent Decree.

24. Compliance Auditor Replacement Procedure. If, after approval, either EPA or Transocean independently determines that the approved Compliance Auditor cannot satisfactorily perform the required GoM CWA Compliance System Audit, within 60 Days of that determination or receiving EPA's notice of the same, Transocean shall submit to EPA for approval the names and qualifications of two (2) proposed replacement Compliance Auditors that meet the qualifications set forth in Paragraph 20 above. If Transocean and EPA do not agree on the need to select a replacement Compliance Auditor, Transocean may invoke the dispute resolution procedures in Section IX (Dispute Resolution) of this Consent Decree.

25. Nothing in Paragraphs 20 through 24 precludes the United States from assessing stipulated penalties for missed Third-Party Audit deadlines associated with the need to replace a Compliance Auditor except in the event Transocean successfully asserts that the inability of the Compliance Auditor to perform the required Audit was due to a Force Majeure event in accordance with Section VIII (Force Majeure) of this Consent Decree.

26. Within 30 Days of EPA's final approval of the Compliance Auditor, the Compliance Auditor must meet with EPA to provide an overview and detailed project plan of how it will perform all of its obligations in this Consent Decree. The Compliance Auditor must bring its key personnel to such meeting, including the lead manager(s) and senior staff involved in implementing its obligations. Representatives of Transocean may attend this meeting.

27. The Compliance Auditor must act independently to provide an objective and fair assessment of Transocean's GoM CWA Compliance System.

28. Initial Certification of Compliance. No later than 90 Days after Transocean submits the GoM CWA Compliance System Audit Report to EPA under Paragraph 17, Transocean must demonstrate to EPA that it has completed all Third-Party Audit Corrective Actions, and certify: a) that Transocean is in compliance with the Act and the GoM General Permit, and b) that the GoM CWA Compliance System will successfully ensure future compliance with the Act and GoM General Permit ("Initial Certification of Compliance").

29. Two Subsequent Audits. After the Initial Certification of Compliance required by Paragraph 28, Transocean must conduct two internal audits of the GoM CWA Compliance System, including the Cooling Water SOP, to evaluate its efficacy ("Internal Audits"), and Transocean's compliance with the Act and the GoM General Permit. The "First Internal Audit" must occur no earlier than one calendar year, and no later than 14 calendar months, after submission to EPA of the Initial Certification of Compliance required by Paragraph 28. The "Second Internal Audit" must occur no more than one calendar year, and no later than 14 calendar months, after submission to EPA of the First Internal Audit Report and Certification of Compliance required by Paragraph 30.

30. Internal Audit Reports and Certifications of Compliance. No later than 90 Days after the completion of each Internal Audit required by Paragraph 29, Transocean must submit to EPA an Internal Audit Report that must detail: a) the audit findings, b) Transocean's response to the audit findings, and c) a schedule for corrective action necessary to achieve compliance with the Act and GoM General Permit ("Internal Audit Corrective Action"), if any. If the Internal Audit determines that the GoM CWA Compliance System is effective, and that Transocean is in

full compliance with the Act and the GoM General Permit, Transocean shall submit to EPA an Internal Audit Certification of Compliance. If Internal Audit Corrective Action is necessary after the Internal Audit, Transocean shall promptly undertake such Internal Audit Corrective Action and, upon completion, not to exceed 90 Days after submission of the Internal Audit Report, submit to EPA an Internal Audit Certification of Compliance.

31. Approval of Deliverables. After review of the compliance certifications and audit reports required by paragraphs 17, 28, and 30, EPA will in writing: (a) approve the submission; (b) approve the submission upon specified conditions required to comply with the Act, the GoM General Permit, and this Consent Decree; (c) approve part of the submission and disapprove the remainder; or (d) disapprove the submission. If EPA does not respond to Transocean in writing within 120 Days, the submission is deemed approved.

32. If the submission is approved pursuant to Paragraph 31(a), Transocean shall take all actions required by the plan, report, or other document, in accordance with the schedules and requirements of the plan, report, or other document, as approved. If the submission is conditionally approved or approved only in part pursuant to Paragraph 31(b) or (c), Transocean shall, upon written direction from EPA, take all actions required by the approved report or certification that EPA determines are technically severable from any disapproved portions, subject to Transocean's right to dispute only the specified conditions or the disapproved portions, under Section IX (Dispute Resolution).

33. If the submission is disapproved in whole or in part pursuant to Paragraph 31(c) or (d), Transocean shall, within 60 Days or such other time as the Parties agree to in writing, correct all deficiencies and resubmit the plan, report, or other item, or disapproved portion thereof, for approval, in accordance with the preceding Paragraphs. If the resubmission is

approved in whole or in part, Transocean shall proceed in accordance with the preceding Paragraph.

34. If a resubmitted plan, report, or other item, or portion thereof, is disapproved in whole or in part, EPA may again require Transocean to correct any deficiencies, in accordance with the preceding Paragraphs, subject to Transocean's right to invoke Dispute Resolution and the right of EPA to seek stipulated penalties as provided in the preceding Paragraphs.

35. If Transocean elects to invoke Dispute Resolution as set forth in Paragraphs 32 or 34, Transocean shall do so by sending a Notice of Dispute in accordance with Paragraph 68 within 30 Days (or such other time as the Parties agree to in writing) after receipt of the applicable decision.

36. Any stipulated penalties applicable to the original submission, as provided in Section VII (Stipulated Penalties), accrue during the 45 Day period or other specified period, but shall not be payable unless the resubmission is untimely or is disapproved in whole or in part; provided that, if the original submission was so deficient as to constitute a material breach of Transocean's obligations under this Decree, the stipulated penalties applicable to the original submission shall be due and payable notwithstanding any subsequent resubmission.

37. Permits. Where any compliance obligation under this Section requires Transocean to obtain a federal, state, or local permit or approval (including obtaining coverage under the effective GoM General Permit), Transocean shall submit timely and complete applications or NOIs and take all other actions necessary to obtain all such permits or approvals. If Transocean has submitted timely and complete applications and has taken all other actions necessary to obtain all such permits or approvals, Transocean may seek relief under the provisions of Section VIII (Force Majeure) for any delay in the performance of any such obligation resulting from a

failure to obtain, or a delay in obtaining, any permit or approval required to fulfill such obligation.

## VI. REPORTING REQUIREMENTS

38. Transocean shall submit the following reports to EPA and DOJ at the addresses set forth in Section XIII (Notices): By July 31<sup>st</sup> and January 31<sup>st</sup> of each year after the lodging of this Consent Decree, until termination of this Decree pursuant to Section XVII (Termination), Transocean shall submit to EPA and DOJ a semi-annual report for the preceding six months that includes: the status of any compliance measures required by Section V (Compliance Requirements); completion of milestones; problems encountered or anticipated, together with implemented or proposed solutions; status of permit applications; and operation and maintenance. The report shall also include a description of any non-compliance with the requirements of this Consent Decree and an explanation of the likely cause of such non-compliance and of the remedial steps taken, or to be taken, to prevent or minimize such future non-compliance. Transocean shall include in each semi-annual report under this Section VI a list of every Vessel that was subject to the GoM General Permit during the reporting period that details the number of cooling water intakes for each Vessel and the number of cooling water intake velocity exceedances for each cooling water intake.

39. If Transocean violates, or has reason to believe that it may violate, any requirement of this Consent Decree, Transocean shall notify DOJ and EPA of such violation and its likely duration, in writing, within 10 business days of the Day Transocean first becomes aware of the violation, with an explanation of the violation's likely cause and of the remedial steps taken, or to be taken, to prevent or minimize such violation. If the cause of a violation cannot be fully explained at the time the report is due, Transocean shall so state in the report.



Transocean shall investigate the cause of the violation and shall then submit an amendment to the report, including a full explanation of the cause of the violation, within 30 Days of the date Transocean becomes aware of the cause of the violation. Nothing in this Paragraph or the following Paragraph relieves Transocean of its obligation to provide the notice required by Section VIII (Force Majeure).

40. Whenever any violation of this Consent Decree or of any applicable permits or any other event affecting Transocean's performance under this Decree may pose an immediate threat to the public health or welfare or the environment, Transocean shall notify the EPA Region 6 Offshore Coordinator and Enforcement Officer for the NPDES GMG29000 Offshore General Permit (see contact information at <https://www.epa.gov/npdes-permits/western-and-central-gulf-mexico-offshore-oil-gas-mpdes-program>) and by email to [R6ENF\\_CWA\\_SDWA@epa.gov](mailto:R6ENF_CWA_SDWA@epa.gov) as soon as possible, but no later than 24 hours after Transocean first knew of the violation or event. This procedure is in addition to the requirements set forth in the preceding Paragraph.

41. Each report submitted by Transocean under this Section shall be signed by an official of the submitting party and include the following certification:

I certify under penalty of perjury that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I have no personal knowledge that the information submitted is other than true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

42. This certification requirement does not apply to emergency or similar notifications where compliance would be impractical.

43. The reporting requirements of this Consent Decree do not relieve Transocean of any reporting obligations required by the Act or implementing regulations, or by any other federal, state, or local law, regulation, permit, or other requirement.

44. Any information provided pursuant to this Consent Decree may be used by the United States in any proceeding to enforce the provisions of this Consent Decree and as otherwise permitted by law.

#### VII. STIPULATED PENALTIES

45. Transocean shall be liable for stipulated penalties to the United States for violations of this Consent Decree as specified below, unless excused under Section VIII (Force Majeure). A violation includes failing to perform any obligation required by the terms of this Decree, including any work plan or schedule approved under this Decree, according to all applicable requirements of this Decree and within the specified time schedules established by or approved under this Decree.

46. Late Payment of Civil Penalty. If Transocean fails to pay the civil penalty required to be paid under Section IV (Civil Penalty) when due, Transocean shall pay a stipulated penalty of \$5,000 per Day for each Day that the payment is late, together with interest accruing from the date on which the civil penalty is due, at the rate specified in 28 U.S.C. § 1961 as of the date of lodging.

47. Consent Decree Compliance Requirements. The following stipulated penalties shall accrue per violation per Day for each failure to complete any requirement of Section V (Compliance Requirements) of this Consent Decree other than those enumerated in Paragraphs 48 through 56 below:

Penalty Per Violation Per Day

Period of Noncompliance

\$500.....	1st through 14th Day
\$1,000.....	15th through 30th Day
\$2,000.....	31st Day and beyond

48. GoM General Permit Cooling Water Intake Visual Inspections. The following stipulated penalties shall accrue:

- a. For each failure to timely conduct a cooling water intake visual inspection in accordance with the GoM General Permit, recognizing that, if conditions such as storms, high seas, evacuation, or other factors make it technically impossible or unduly hazardous to personnel, the facility, or the equipment utilized to fulfill the obligation, stipulated penalties shall not accrue, provided Transocean submits an explanation for the failure with the subsequent DMR submittal in accordance with the GoM General Permit: \$100 per day.
- b. For each Vessel on which a cooling water intake velocity violation has occurred (velocities exceeding 0.5 ft/sec): \$100 per day.
- c. For each Vessel on which cooling water intake velocity violations have occurred on more than 50% of the Vessel's total number of cooling water intake screens: \$500 per day.

49. GoM General Permit Recordkeeping, Record Retention, and Record Maintenance Requirements. The following stipulated penalties shall accrue per violation per Day for each violation of any GoM General Permit recordkeeping, record retention, or record maintenance requirement: \$100 per violation per day.

50. Free Oil: \$100 per Day for each Free Oil discharge observed under the monitoring and sampling requirements of the GoM General Permit.

51. Failure to Submit NOI (Unpermitted Discharges). The following stipulated penalties shall accrue per violation per Day for each failure to submit a NOI as required by the CWA or GoM General Permit:

<u>Penalty Per Violation Per Day</u>	<u>Period of Noncompliance</u>
\$3,500.....	Day 1
\$200.....	2nd through 15th Day
\$400.....	16th through 30th Day
\$1,100.....	31st Day and beyond

52. Discharge Monitoring Report (“DMR”) Submissions. The following stipulated penalties shall accrue per violation per parameter per Day for each failure to submit an accurate and complete DMR as required by the CWA or the GoM General Permit:

<u>Penalty Per Violation Per Day</u>	<u>Period of Noncompliance</u>
\$500.....	Day 1
\$100.....	2nd through 15th Day
\$200.....	16th through 30th Day
\$400.....	31st through 60th Day
\$800.....	61st through 90th Day
\$1200.....	91st Day and beyond

53. Reporting Requirements. The following stipulated penalties shall accrue per violation per Day for each violation of the reporting requirements of Section VI:

<u>Penalty Per Violation Per Day</u>	<u>Period of Noncompliance</u>
\$100.....	1st through 14th Day
\$500.....	15th through 30th Day
\$1,000.....	31st Day and beyond

54. Stipulated penalties under this Section shall begin to accrue on the Day after performance is due or on the Day a violation occurs, whichever is applicable, and shall continue

to accrue until performance is satisfactorily completed or until the violation ceases. Stipulated penalties shall accrue simultaneously for separate violations of this Consent Decree.

55. Transocean shall pay any stipulated penalty within 30 Days of receiving the United States' written demand.

56. The United States may in the unreviewable exercise of its discretion, reduce or waive stipulated penalties otherwise due it under this Consent Decree.

57. Stipulated penalties shall continue to accrue as provided in Paragraph 54, during any Dispute Resolution, but need not be paid until the following:

- a. If the dispute is resolved by agreement of the Parties or by a decision of EPA that is not appealed to the Court, Transocean shall pay accrued penalties determined to be owing, together with interest, to the United States within 30 Days of the effective date of the agreement or the receipt of EPA's decision or order.
- b. If the dispute is appealed to the Court and the United States prevails in whole or in part, Transocean shall pay all accrued penalties determined by the Court to be owing, together with interest, within 60 Days of receiving the Court's decision or order, except as provided in subparagraph c, below.
- c. If any Party appeals the District Court's decision, Transocean shall pay all accrued penalties determined to be owing, together with interest, within 15 Days of receiving the final appellate court decision.

58. Transocean shall pay stipulated penalties owing to the United States in the manner set forth in Paragraph 8 and with the confirmation notices required by Paragraph 9, except that

the transmittal letter shall state that the payment is for stipulated penalties and shall state for which violation(s) the penalties are being paid.

59. If Transocean fails to pay stipulated penalties according to the terms of this Consent Decree, Transocean shall be liable for interest on such penalties, as provided for in 28 U.S.C. § 1961, accruing as of the date payment became due. Nothing in this Paragraph shall be construed to limit the United States from seeking any remedy otherwise provided by law for Transocean's failure to pay any stipulated penalties.

60. The payment of penalties and interest, if any, shall not alter in any way Transocean's obligation to complete the performance of the requirements of this Consent Decree.

61. Non-Exclusivity of Remedy. Stipulated penalties are not the United States' exclusive remedy for violations of this Consent Decree. Subject to the provisions of Section XI (Effect of Settlement/Reservation of Rights), the United States expressly reserves the right to seek any other relief it deems appropriate for Transocean's violation of this Decree or applicable law, including but not limited to an action against Transocean for statutory penalties, additional injunctive relief, mitigation or offset measures, and/or contempt. However, the amount of any statutory penalty assessed for a violation of this Consent Decree shall be reduced by an amount equal to the amount of any stipulated penalty assessed and paid pursuant to this Consent Decree.

#### VIII. FORCE MAJEURE

62. "Force Majeure," for purposes of this Consent Decree, is defined as any event arising from causes beyond the control of Transocean, of any entity controlled by Transocean, or of Transocean's contractors, that delays or prevents the performance of any obligation under this Consent Decree despite Transocean's best efforts to fulfill the obligation. The requirement that

Transocean exercise “best efforts to fulfill the obligation” includes using best efforts to anticipate any potential force majeure event and best efforts to address the effects of any potential force majeure event (a) as it is occurring and (b) following the potential force majeure, such that the delay and any adverse effects of the delay are minimized. “Force Majeure” does not include Transocean’s financial inability to perform any obligation under this Consent Decree.

63. With the exception of conditions that may temporarily delay the routine inspection of cooling water intakes, such as storms, high seas, evacuation, or other factors that make it technically impossible or unduly hazardous to personnel, the facility, or the equipment utilized to fulfill the obligation, if any event occurs or has occurred that may delay the performance of any obligation under this Consent Decree, whether or not caused by a Force Majeure event, Transocean shall provide notice by telephone to 214-665-6497 and by email to Mitty Garcia (garcia.mitty@epa.gov), within 96 hours of when Transocean first knew that the event might cause a delay. Within seven Days thereafter, Transocean shall provide in writing to EPA an explanation and description of the reasons for the delay; the anticipated duration of the delay; all actions taken or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to prevent or mitigate the delay or the effect of the delay; Transocean’s rationale for attributing such delay to a Force Majeure event if it intends to assert such a claim; and a statement as to whether, in the opinion of Transocean, such event may cause or contribute to an endangerment to public health, welfare or the environment. Transocean shall include with any notice all available documentation supporting the claim that the delay was attributable to a Force Majeure. Failure to comply with the above requirements shall preclude Transocean from asserting any claim of Force Majeure for that event for the period of time of such failure to comply, and for any additional delay caused by such failure. Transocean shall be

deemed to know of any circumstance of which Transocean, any entity controlled by Transocean, or Transocean's contractors knew or should have known.

64. If EPA agrees that the delay or anticipated delay is attributable to a Force Majeure event, the time for performance of the obligations under this Consent Decree that are affected by the Force Majeure event will be extended by EPA for such time as is necessary to complete those obligations. An extension of the time for performance of the obligations affected by the Force Majeure event shall not, of itself, extend the time for performance of any other obligation. EPA will notify Transocean in writing of the length of the extension, if any, for performance of the obligations affected by the Force Majeure event.

65. If EPA does not agree that the delay or anticipated delay has been or will be caused by a Force Majeure event, EPA will notify Transocean in writing of its decision.

66. If Transocean elects to invoke the dispute resolution procedures set forth in Section IX (Dispute Resolution), it shall do so no later than 15 Days after receipt of EPA's notice. In any such proceeding, Transocean shall have the burden of demonstrating by a preponderance of the evidence that the delay or anticipated delay has been or will be caused by a Force Majeure event, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that best efforts were exercised to avoid and mitigate the effects of the delay, and that Transocean complied with the requirements of Paragraphs 62 and 63. If Transocean carries this burden, the delay at issue shall be deemed not to be a violation by Transocean of the affected obligation of this Consent Decree identified to EPA and the Court.

#### IX. DISPUTE RESOLUTION

67. Unless otherwise expressly provided for in this Consent Decree, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising



under or with respect to this Consent Decree. Transocean's failure to invoke the procedures of this Section concerning an issue of which it had notice and an opportunity to dispute under this Section prior to an action by the United States to enforce any obligation of Transocean arising under this Decree precludes Transocean from raising any such issue as a defense to any such enforcement action.

68. Informal Dispute Resolution. Any dispute subject to Dispute Resolution under this Consent Decree shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when Transocean sends DOJ and EPA a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed 20 Days from the date the dispute arises, unless that period is modified by written agreement. If the Parties cannot resolve a dispute by informal negotiations, then the position advanced by the United States shall be considered binding unless, within 15 Days after the conclusion of the informal negotiation period, Transocean invokes formal dispute resolution procedures as set forth below.

69. Formal Dispute Resolution. Transocean shall invoke formal dispute resolution procedures, within the time period provided in the preceding Paragraph, by sending DOJ and EPA a written submission ("Transocean Statement of Position") regarding the matter in dispute. The Transocean Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting Transocean's position and any supporting documentation relied upon by Transocean.

70. The United States will send Transocean a written response ("U.S. Statement of Position) within 45 Days of receipt of Transocean's Statement of Position. The U.S.' Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion

supporting that position and any supporting documentation relied upon by the United States. The U.S. Statement of Position is binding on Transocean, unless Transocean files a motion for judicial review of the dispute in accordance with the following Paragraph.

71. Judicial Dispute Resolution. Transocean may seek judicial review of the dispute by filing with the Court and serving on the United States a motion requesting judicial resolution of the dispute. The motion (a) must be filed within 10 Days of receipt of the U.S. Statement of Position pursuant to the preceding Paragraph; (b) may not raise any issue not raised in informal dispute resolution pursuant to Paragraph 68, unless the United States raises a new issue of law or fact in the U.S. Statement of Position; (c) shall contain a written statement of Transocean's position on the matter in dispute, including any supporting factual data, analysis, opinion, or documentation; and (d) shall set forth the relief requested and any schedule within which the dispute must be resolved for orderly implementation of the Consent Decree.

72. The United States shall respond to Transocean's motion within the time period allowed by the Local Rules of this Court. Transocean may file a Reply memorandum, to the extent permitted by the Local Rules.

73. Standard of Review

- a. Disputes Concerning Matters Accorded Record Review. Except as otherwise provided in this Consent Decree, in any dispute brought under Paragraph 69 pertaining to the adequacy or appropriateness of plans, procedures to implement plans, schedules or any other items requiring approval by EPA under this Consent Decree; the adequacy of the performance of work undertaken pursuant to this Consent Decree; and all other disputes that are accorded review on the administrative record under

applicable principles of administrative law, Transocean shall have the burden of demonstrating, based on the administrative record, that the position of the United States is arbitrary and capricious or otherwise not in accordance with law.

- b. Other Disputes. Except as otherwise provided in this Consent Decree, in any other dispute brought under Paragraph 69, Transocean shall bear the burden of demonstrating by a preponderance of the evidence that its position complies with this Consent Decree and better furthers the objectives of the Consent Decree.
- c. If there is a disagreement between EPA and Transocean as to whether a dispute falls under Paragraph 73.a or 73.b, the Parties to the dispute shall proceed under the paragraph determined by EPA to be applicable. However, if Transocean ultimately appeals to the Court to resolve the dispute, the Court shall determine which paragraph is applicable in accordance with this Paragraph 73. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of Transocean under this Consent Decree, unless and until final resolution of the dispute so provides. Stipulated penalties with respect to the disputed matter shall continue to accrue from the first Day of noncompliance, but payment shall be stayed pending resolution of the dispute as provided in Paragraph 57. If Transocean does not prevail on the disputed issue, stipulated penalties shall be assessed and paid as provided in Section VII (Stipulated Penalties).

X. INFORMATION COLLECTION AND RETENTION

74. The United States and its representatives, including attorneys, contractors, and consultants, shall have the right of entry into any Vessel covered by this Consent Decree and to Transocean's corporate offices, at all reasonable times, upon presentation of credentials, to:

- a. monitor the progress of activities required under this Consent Decree;
- b. verify any data or information submitted to the United States in accordance with the terms of this Consent Decree;
- c. obtain samples and, upon request, splits of any samples taken by Transocean or its representatives, contractors, or consultants;
- d. obtain documentary evidence, including photographs and similar data; and
- e. assess Transocean's compliance with this Consent Decree.

75. Upon request, Transocean shall provide EPA or its authorized representatives splits of any samples taken by Transocean. Upon request, EPA shall provide Transocean splits of any samples taken by EPA.

76. Until five (5) years after the termination of this Consent Decree, Transocean shall retain, and shall instruct its contractors and agents to preserve, all non-identical copies of all documents, records, or other information (including documents, records, or other information in electronic form) in its or its contractors' or agents' possession or control, or that come into its or its contractors' or agents' possession or control, and that relate in any manner to Transocean's performance of its obligations under this Consent Decree. This information-retention requirement shall apply regardless of any contrary corporate or institutional policies or procedures. Transocean shall maintain all records in its control that may be subject to production under the Decree in a manner that they are categorized, indexed and readily available. At any

time during this information-retention period, upon request by the United States, Transocean shall provide copies of any documents, records, or other information required to be maintained under this Paragraph. Documents submitted to EPA pursuant to the Decree shall be submitted in a logically sequenced, electronic format with descriptive file labels.

77. Transocean may also assert that information required to be provided under this Section is protected as Confidential Business Information (“CBI”) under 40 C.F.R. Part 2. As to any information that Transocean seeks to protect as CBI, Transocean shall follow the procedures set forth in 40 C.F.R. Part 2.

78. This Consent Decree in no way limits or affects any right of entry and inspection, or any right to obtain information, held by the United States pursuant to applicable federal laws, regulations, or permits, nor does it limit or affect any duty or obligation of Transocean to maintain documents, records, or other information imposed by applicable federal or state laws, regulations, or permits.

#### XI. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

79. This Consent Decree resolves the civil claims of the United States for:

- a. Civil violations alleged in the Complaint through the date of lodging, and
- b. Civil violations of Section 301(a) of the Clean Water Act, 33 U.S.C. §

1311(a), through the date of lodging of this Decree for:

- (1) Discharges without a permit, and
- (2) Failure to comply with the conditions, limitations, and requirements of the GoM General Permit,

by the following Transocean Vessels: Deepwater Asgard – IMO No. 9620580,

Deepwater Conqueror – IMO No. 9730804, Deepwater Invictus – IMO No. 9620592,

Deepwater Pontus – IMO No. 9675183, Deepwater Poseidon – IMO No. 9675195, Deepwater Proteus – IMO No. 9675171, Deepwater Thalassa – IMO No. 9675169, Deepwater Clear Leader – IMO No. 9386122, Discoverer Inspiration – IMO No. 9409936, Petrobras 10000 – IMO No. 9404352, Development Driller III – IMO No. 8769121, Discoverer India – IMO No. 9521215, Deepwater Atlas – IMO No. 9735268, and Deepwater Titan – IMO No. 9735270.

80. The United States reserves all legal and equitable remedies available to enforce the provisions of this Consent Decree. This Consent Decree shall not be construed to limit the rights of the United States to obtain penalties or injunctive relief under the Act or implementing regulations, or under other federal laws, regulations, or permit conditions, except as expressly specified in Paragraph 79. The United States further reserves all legal and equitable remedies to address any imminent and substantial endangerment to the public health or welfare or the environment, arising at, or posed by, Transocean's Vessels, whether related to the violations addressed in this Consent Decree or otherwise.

81. In any subsequent administrative or judicial proceeding initiated by the United States for injunctive relief, civil penalties, other appropriate relief relating to the Vessels or Transocean's violations, Transocean shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States in the subsequent proceeding were or should have been brought in the instant case, except with respect to claims that have been specifically resolved pursuant to Paragraph 79.

82. This Consent Decree is not a permit, or a modification of any permit, under any federal, State, or local laws or regulations. Transocean is responsible for achieving and

maintaining complete compliance with all applicable federal, State, and local laws, regulations, and permits; and Transocean's compliance with this Consent Decree shall be no defense to any action commenced pursuant to any such laws, regulations, or permits, except as set forth herein. The United States does not, by its consent to the entry of this Consent Decree, warrant or aver in any manner that Transocean's compliance with any aspect of this Consent Decree will result in compliance with provisions of the Act, 33 U.S.C. § 1251 *et seq.*, or with any other provisions of federal, State, or local laws, regulations, or permits.

83. This Consent Decree does not limit or affect the rights of Transocean or of the United States against any third parties, not party to this Consent Decree, nor does it limit the rights of third parties, not party to this Consent Decree, against Transocean, except as otherwise provided by law.

84. This Consent Decree shall not be construed to create rights in, or grant any cause of action to, any third party not party to this Consent Decree.

## XII. COSTS

85. The Parties shall bear their own costs of this action, including attorneys' fees, except that the United States shall be entitled to collect the costs (including attorneys' fees) incurred in any action necessary to collect any portion of the civil penalty or any stipulated penalties due but not paid by Transocean.

## XIII. NOTICES

86. Unless otherwise specified in this Decree, whenever notifications, submissions, or communications are required by this Consent Decree, they shall be made in writing and sent by mail or email, with a preference for email, addressed as follows:

As to DOJ by email (preferred): eescdcopy.enrd@usdoj.gov  
scott.cernich@usdoj.gov  
Re: DJ # 90-5-1-1-12240

As to DOJ by mail: EES Case Management Unit  
Environment and Natural Resources Division  
U.S. Department of Justice  
P.O. Box 7611  
Washington, D.C. 20044-7611  
Re: DJ # 90-5-1-1-12240

As to EPA by email (preferred): Garcia.Mitty@epa.gov  
Henson.Tucker@epa.gov  
R6\_CWA\_SDWA\_ENF@epa.gov

As to EPA by mail: U.S. Environmental Protection Agency  
Region 6  
Attn: Mitty Garcia  
1201 Elm Street  
Suite 500  
Dallas, TX 75270

As to Transocean  
by email (preferred): [Greg.Linsin@blankrome.com](mailto:Greg.Linsin@blankrome.com)  
[Emma.Jones@blankrome.com](mailto:Emma.Jones@blankrome.com)  
[Sergio.Alarcon@deepwater.com](mailto:Sergio.Alarcon@deepwater.com)  
[Janet.Resseguie@deepwater.com](mailto:Janet.Resseguie@deepwater.com)

As to Transocean  
by mail: Gregory F. Linsin  
Blank Rome LLP  
1825 Eye Street, N.W.  
Washington, D.C. 20006

Transocean Offshore Deepwater Drilling Inc.  
Attn: Janet Resseguie  
1414 Enclave Parkway  
Houston, TX 77077

87. Any Party may, by written notice to the other Parties, change its designated notice recipient or notice address provided above.



88. Notices submitted pursuant to this Section shall be deemed submitted upon mailing or transmission by email, unless otherwise provided in this Consent Decree or by mutual agreement of the Parties in writing.

#### XIV. EFFECTIVE DATE

89. The Effective Date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court or a motion to enter the Consent Decree is granted, whichever occurs first, as recorded on the Court's docket.

#### XV. RETENTION OF JURISDICTION

90. The Court shall retain jurisdiction over this case until termination of this Consent Decree, for the purpose of resolving disputes arising under this Consent Decree or entering orders modifying this Consent Decree, pursuant to Sections IX and XVI, or effectuating or enforcing compliance with the terms of this Consent Decree.

#### XVI. MODIFICATION

91. The terms of this Consent Decree, including any attached appendices, may be modified only by a subsequent written agreement signed by all the Parties. Where the modification constitutes a material change to this Consent Decree, it shall be effective only upon approval by the Court.

92. Any disputes concerning modification of this Consent Decree shall be resolved pursuant to Section IX (Dispute Resolution), provided, however, that, instead of the burden of proof provided by Paragraph 73, the Party seeking the modification bears the burden of demonstrating that it is entitled to the requested modification in accordance with Federal Rule of Civil Procedure 60(b).

## XVII. TERMINATION

93. After Transocean has completed the requirements of Section V (Compliance Requirements), has thereafter maintained continuous satisfactory compliance with this Consent Decree and the GoM General Permit for a period of at least three (3) years, and has paid the civil penalty and any accrued stipulated penalties as required by this Consent Decree, Transocean may serve upon the United States a Request for Termination, stating that Transocean has satisfied those requirements, together with all necessary supporting documentation.

94. Following receipt by the United States of Transocean's Request for Termination, the Parties shall confer informally concerning the Request and any disagreement that the Parties may have as to whether Transocean has satisfactorily complied with the requirements for termination of this Consent Decree. If the United States agrees that the Consent Decree may be terminated, the Parties shall submit, for the Court's approval, a joint stipulation terminating the Consent Decree.

95. If the United States does not agree that the Consent Decree may be terminated, Transocean may invoke Dispute Resolution under Section IX. However, Transocean shall not seek Dispute Resolution of any dispute regarding termination until 90 Days after service of its Request for Termination.

## XVIII. PUBLIC PARTICIPATION

96. This Consent Decree shall be lodged with the Court for a period of not less than 30 Days for public notice and comment in accordance with 28 C.F.R. § 50.7. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations indicating that the Consent Decree is inappropriate, improper, or inadequate. Transocean consents to entry of this Consent Decree without further

notice and agrees not to withdraw from or oppose entry of this Consent Decree by the Court or to challenge any provision of the Consent Decree, unless the United States has notified Transocean in writing that it no longer supports entry of the Consent Decree.

#### XIX. SIGNATORIES/SERVICE

97. Each undersigned representative of Transocean and the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind the Party he or she represents to this document.

98. This Consent Decree may be signed in counterparts, and its validity shall not be challenged on that basis. Transocean agrees to accept service of process by mail with respect to all matters arising under or relating to this Consent Decree and to waive the formal service requirements set forth in Rules 4 and 5 of the Federal Rules of Civil Procedure and any applicable Local Rules of this Court including, but not limited to, service of a summons. Transocean need not file an answer to the complaint in this action unless or until the Court expressly declines to enter this Consent Decree.

#### XX. INTEGRATION

99. This Consent Decree, including deliverables that are subsequently approved pursuant to this Decree, constitutes the entire agreement among the Parties regarding the subject matter of the Consent Decree and supersedes all prior representations, agreements and understandings, whether oral or written, concerning the subject matter of the Consent Decree herein.

XXI. 26 U.S.C. SECTION 162(f)(2)(A)(ii) IDENTIFICATION

100. For purposes of the identification requirement in Section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), and 26 C.F.R. § 1.162-21(b)(2)(iii)(A), performance of Section V (Compliance Requirements) of the Consent Decree is restitution, remediation, or required to come into compliance with law.

XXII. HEADINGS

101. Headings to the Sections and Subsections of this Consent Decree are provided for convenience and do not affect the meaning or interpretation of the provisions of this Consent Decree.

XXIII. APPENDICES

102. The following Appendix is attached to and is part of this Consent Decree:

Appendix A is the form of Compliance Auditor Certification.

XXIV. FINAL JUDGMENT

103. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment of the Court as to the United States and Transocean.

Dated and entered this \_\_\_ day of \_\_\_\_\_, 20\_\_

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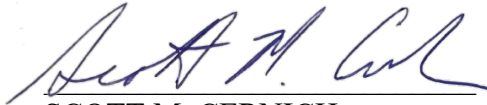
UNITED STATES DISTRICT JUDGE

WE HEREBY CONSENT to the entry of the Consent Decree in United States v. Transocean Offshore Deepwater Drilling Inc., subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR THE UNITED STATES OF AMERICA:

\_\_\_\_\_  
Date

TODD KIM  
Assistant Attorney General  
Environment and Natural Resources Division  
U.S. Department of Justice



SCOTT M. CERNICH  
Senior Counsel  
Environmental Enforcement Section  
Environment and Natural Resources Division  
U.S. Department of Justice  
Washington, DC 20044-7611  
[scott.cernich@usdoj.gov](mailto:scott.cernich@usdoj.gov)  
(202) 514-0056

ALAMDAR S. HAMDANI  
United States Attorney  
Southern District of Texas

/s/ Daniel Hu

DANIEL HU  
Attorney-in-Charge  
Assistant United States Attorney  
Southern District of Texas  
Bar Nos.: Texas 10131415  
S.D. Texas 7959  
1000 Louisiana, Suite 2300  
Houston, TX 77002  
[daniel.hu@usdoj.gov](mailto:daniel.hu@usdoj.gov)

WE HEREBY CONSENT to the entry of the Consent Decree in United States v. Transocean Offshore Deepwater Drilling Inc., subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR THE U.S. ENVIRONMENTAL PROTECTION  
AGENCY:



Digitally signed by Cheryl T.  
Seager  
Date: 2023.08.14 16:25:12 -05'00'

Cheryl Seager, Director  
Enforcement and  
Compliance Assurance Division  
U.S. Environmental Protection Agency, Region 6

**JAMES MCGUIRE**

Digitally signed by JAMES  
MCGUIRE  
Date: 2023.08.14 21:04:19 -05'00'

James McGuire  
Office of Regional Counsel  
Regional Counsel  
U.S. Environmental Protection Agency, Region 6



Digitally signed by TOMMY HENSON  
DN: c=US, o=U.S. Government, ou=Environmental  
Protection Agency, cn=TOMMY HENSON,  
0.9.2342.19200300.100.1.1=68001003655798  
Date: 2023.08.14 15:49:06 -05'00'

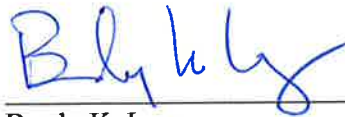
Tucker Henson  
Office of Regional Counsel  
Assistant Regional Counsel  
U.S. Environmental Protection Agency, Region 6

WE HEREBY CONSENT to the entry of the Consent Decree in United States v. Transocean Offshore Deepwater Drilling Inc., subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR TRANSOCEAN:

8/11/23  
Date

  
\_\_\_\_\_  
Gregory F. Linsin  
Blank Rome LLP

  
\_\_\_\_\_  
Brady K. Long  
Executive Vice-President and General Counsel  
Transocean Offshore Deepwater Drilling Inc.

**Appendix A: Auditor Certification**

[AUDITOR] makes the following certifications and representations in connection with its proposed appointment as the Third Party Auditor to oversee compliance aspects of the consent decree entered in *United States v. Transocean Offshore Deepwater Drilling, Inc.*

“Auditor” means [AUDITOR], and the employees or contractors who would provide the oversight described above.

“The Defendant” means Transocean Offshore Deepwater Drilling, Inc.

1. Financial interests.
  - a. [AUDITOR] has no financial interest in the Defendant or any of its subsidiaries or affiliates.
  - b. If, between the date of this certification and when [AUDITOR]’s term as the Third Party Auditor expires, [AUDITOR]’s financial interests with respect to the Defendant change, [AUDITOR] agrees to notify the U.S. Department of Justice in writing as soon as reasonably possible after becoming aware of the change. [AUDITOR] is aware that acquiring a financial interest in the Defendant could disqualify it from continuing the oversight work described above.
2. Employment, professional relationships, and affiliations.
  - a. [AUDITOR] is not a party to any employment, consulting, agency, attorney-client, auditing or other professional relationship or affiliation with the Defendant, or any of its subsidiaries or affiliates.
  - b. [AUDITOR] has not been a party to such a professional relationship or affiliation with the Defendant within the past three years.



- c. [AUDITOR] agrees not to engage in such a professional relationship or affiliation with the Defendant during its term as the Third Party Auditor and for a period of at least three years after the termination of its term as the Third Party Auditor.
- d. After the date of this certification, to the extent that the services of additional personnel will be utilized in the proper discharge of the Third Party Auditor's duties, prior to engaging any such personnel, [AUDITOR] agrees to review the backgrounds of all such personnel to determine whether said personnel or any other entity with which said personnel is affiliated, is or has been a party to any employment, consulting, agency, attorney-client, auditing or other professional relationship or affiliation with the Defendant or any of its subsidiaries or affiliates. To the extent any such relationship or affiliation exists, [AUDITOR] will notify the U.S. Department of Justice to seek a determination whether it is appropriate to engage said personnel to assist in the monitorship of the Defendant

Date: \_\_\_\_\_

\_\_\_\_\_  
Name:  
On behalf of AUDITOR