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CLUB**  
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December 5, 2012

The Honorable Barack Obama  
President of the United States  
The White House  
1600 Pennsylvania Avenue N.W.  
Washington, D.C. 20500

**Re: Priority Recommendations for a Potential Settlement of the Deepwater Horizon Oil Disaster**

Dear President Obama:

On behalf of the Sierra Club and its more than 1.5 million members and supporters, we urge your Administration to take strong action in the ongoing prosecution of BP for the Deepwater Horizon rig explosion and oil disaster. This was the worst environmental disaster in our nation's history, resulting in the loss of 11 lives and the release of 200 million gallons of oil and 1.8 million gallons of toxic oil dispersants that continue to adversely impact Gulf Coast ecosystems, human health and the region's economy. The criminal negligence of BP and its executives led to this tragedy. As a result, many of our members and supporters, especially those throughout the Gulf Coast, were disheartened by the recently announced \$4 billion criminal settlement that your Administration negotiated with BP. Sierra Club believes that a \$4 billion payout over five years does not serve meaningful justice for Gulf Coast communities, nor does it serve to deter future egregious criminal activity by the oil industry, particularly given the fact that BP earned more than \$2 billion in profits each month in 2011.

We urge your Administration to take strong, unprecedented action in any potential settlement of the Clean Water Act and Oil Pollution Act claims arising out of the disaster. A comparison to past oil spill liability payouts must not be the measure of a strong settlement; rather, any settlement must reflect the magnitude of the responsible parties' egregious behavior and must reflect the disaster's impacts to the people and resources of the Gulf of Mexico.

Priority Recommendations for a Potential Early Settlement of DWH  
On Behalf of Sierra Club

It is of paramount importance to our members and supporters that any civil settlement between the United States, BP and other responsible parties, serve as both a mechanism for meaningful restoration of the region's natural resources and communities, and as a deterrent to prevent future oil industry disasters in the Gulf of Mexico and off our nation's coasts. A potential settlement of the civil claims provides a key opportunity to implement the recommendations of the President's Oil Spill Commission and the Gulf Coast Ecosystem Restoration Council.

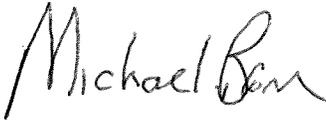
Any future settlement must require BP to pay maximum civil and criminal fines totaling at least \$60 billion under the Clean Water Act, Oil Pollution Act and other statutes such as the Endangered Species Act, Marine Mammal Protection Act, Migratory Bird Treaty Act, Outer Continental Shelf Lands Act, and Alternative Fines Act. As we urged in our February 6, 2012, letter to you, the following key actions must be made part of any potential settlement of the Deepwater Horizon litigation. (These items are discussed in greater detail in the attached February 6, 2012 letter.)

- 1) Establish a Natural Resource Damages Fund in an amount assessed by the Natural Resource Trustees for comprehensive, long-term ecosystem restoration and monitoring that satisfies NRDA regulations and prioritizes the public interest;
- 2) Create a Fund of no less than \$10 billion to execute the Gulf Coast Ecosystem Restoration Council Early Restoration Strategy with \$500 million dedicated to long-term monitoring;
- 3) Assess maximum civil and criminal penalties against the responsible parties, of which a large portion are designated to a Fund for Supplemental Environmental Projects that enhance NRDA restoration, including long-term monitoring and independent scientific studies;
- 4) Include a broad re-opener provision that allows the government to re-open the settlement indefinitely or for a minimum of 30 years and requires the responsible parties to reimburse the United States for latent, unforeseen damages;
- 5) Establish and fund the operation of a Gulf of Mexico Regional Citizen's Advisory Council to ensure formal public oversight and industry accountability of offshore drilling activities in the region; and
- 6) Ensure that all activities executed under a settlement comply with Executive Order 12898 on Environmental Justice.

Since the beginning of this disaster, many of our 100,000 Gulf Coast members and supporters have participated in response and recovery efforts so that BP is held fully responsible to the letter of the law. However, with the recent criminal settlement, we do not feel that our voices are being heard. Your administration has an extraordinary opportunity to set a strong precedent that ensures that the Gulf Coast's people and resources are made whole

again, and that no other community is ever faced with a disaster of this kind. We urge you to adopt the foregoing measures in any potential settlement of the Clean Water Act and Oil Pollution Act claims. These measures will ensure comprehensive, meaningful restoration and recovery of the Gulf of Mexico and its coastal communities now and for future generations. Thank you for considering our urgent request.

Sincerely,

A handwritten signature in black ink that reads "Michael Brune". The signature is written in a cursive, flowing style.

Michael Brune  
Executive Director  
Sierra Club

cc: Attorney General Eric Holder, Department of Justice  
Secretary Ken Salazar, U.S. Department of the Interior  
Chair Nancy H. Sutley, Council on Environmental Quality  
Administrator Lisa P. Jackson, Environmental Protection Agency  
Administrator Jane Lubchenco, National Oceanic and Atmospheric Administration  
Assistant Attorney General Ignacia Moreno, Department of Justice  
Senior Attorney Steven O'Rourke, Department of Justice