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The Spill, The Scandal and the President

The inside story of how Obama failed to crack down on the corruption of the Bush years – and let the world's most dangerous oil company get away with murder



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President Obama in Port Fourchon, Louisiana, May 28, 2010.

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By **Tim Dickinson**
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On May 27th, more than a month into the worst environmental disaster in U.S. history, Barack Obama strode to the podium in the East Room of the White House. For weeks, the administration had been insisting that BP alone was to blame for the catastrophic oil spill in the Gulf – and the ongoing failure to stop the massive leak. "They have the technical expertise to plug the hole," White House spokesman Robert Gibbs had said only six days earlier. "It is their responsibility." The president, Gibbs added, lacked the authority to play anything more than a supervisory role – a curious line of argument from an administration that has reserved the right to assassinate American citizens abroad and has nationalized much of the auto industry. "If BP is not accomplishing the task, can you just federalize it?" a reporter asked. "No," Gibbs replied.

Now, however, the president was suddenly standing up to take command of the cleanup effort. "In case you were wondering who's responsible," Obama told the nation, "I take responsibility." Sounding chastened, he acknowledged that his administration had failed to adequately reform the Minerals Management Service, the scandal-ridden federal agency that for years had essentially allowed the oil industry to self-regulate. "There wasn't sufficient urgency," the president said. "Absolutely I take responsibility for that." He also admitted that he had been too credulous of the oil giants: "I was wrong in my belief that the oil companies had their act together when it came to worst-case scenarios." He unveiled a presidential commission to investigate the disaster, discussed the resignation of the head of

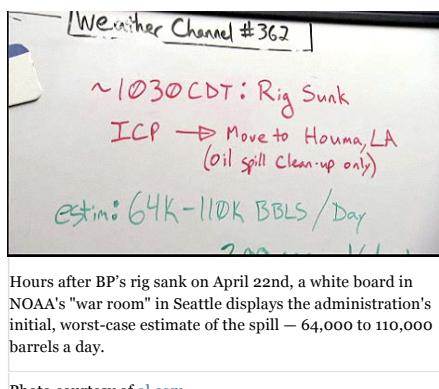
MMS, and extended a moratorium on new deepwater drilling. "The buck," he reiterated the next day on the sullied Louisiana coastline, "stops with me."

[Meet Obama's sheriff, Ken Salazar.](#)

What didn't stop was the gusher. Hours before the president's press conference, an ominous plume of oil six miles wide and 22 miles long was discovered snaking its way toward Mobile Bay from BP's wellhead next to the wreckage of its Deepwater Horizon rig. Admiral Thad Allen, the U.S. commander overseeing the cleanup, framed the spill explicitly as an invasion: "The enemy is coming ashore," he said. Louisiana beaches were assaulted by blobs of oil that began to seep beneath the sand; acres of marshland at the "Bird's Foot," where the Mississippi meets the Gulf, were befouled by shit-brown crude – a death sentence for wetlands that serve as the cradle for much of the region's vital marine life. By the time Obama spoke, it was increasingly evident that this was not merely an ecological disaster. It was the most devastating assault on American soil since 9/11.

Like the attacks by Al Qaeda, the disaster in the Gulf was preceded by ample warnings – yet the administration had ignored them. Instead of cracking down on MMS, as he had vowed to do even before taking office, Obama left in place many of the top officials who oversaw the agency's culture of corruption. He permitted it to rubber-stamp dangerous drilling operations by BP – a firm with the worst safety record of any oil company – with virtually no environmental safeguards, using industry-friendly regulations drafted during the Bush years. He calibrated his response to the Gulf spill based on flawed and misleading estimates from BP – and then deployed his top aides to lowball the flow rate at a laughable 5,000 barrels a day, long after the best science made clear this catastrophe would eclipse the *Exxon Valdez*.

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Even after the president's press conference, *Rolling Stone* has learned, the administration knew the spill could be far worse than its "best estimate" acknowledged. That same day, the president's Flow Rate Technical Group – a team of scientists charged with establishing the gusher's output – announced a new estimate of 12,000 to 25,000 barrels, based on calculations from video of the plume. In fact, according to interviews with team members and scientists familiar with its work, that figure represents the plume group's minimum estimate. The upper range was not included in their report because scientists analyzing the flow were unable to reach a consensus on how bad it could be. "The upper bound from the plume group, if it had come out, is very high," says Timothy Crone, a marine geophysicist at Columbia University who has consulted with the government's team. "That's why they had resistance internally. We're talking 100,000 barrels a day."

The median figure for Crone's independent calculations is 55,000 barrels a day – the equivalent of an *Exxon Valdez* every five days. "That's what the plume team's numbers show too," Crone says. A source privy to internal discussions at one of the world's top oil companies confirms that the industry privately agrees with such estimates. "The industry definitely believes the higher-end values," the source says. "That's accurate – if not more than that." The reason, he adds, is that BP appears to have unleashed one of the 10 most productive wells in the Gulf. "BP screwed up a really big, big find," the source says. "And if they can't cap this, it's not going to blow itself out anytime soon."

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Even worse, the "moratorium" on drilling announced by the president does little to prevent future disasters. The ban halts exploratory drilling at only 33 deepwater operations, shutting down less than one percent of the total wells in the Gulf. Interior Secretary Ken

Salazar, the Cabinet-level official appointed by Obama to rein in the oil industry, boasts that "the moratorium is not a moratorium that will affect production" – which continues at 5,106 wells in the Gulf, including 591 in deep water.

Most troubling of all, the government has allowed BP to continue deep-sea production at its Atlantis rig – one of the world's largest oil platforms. Capable of drawing 200,000 barrels a day from the seafloor, Atlantis is located only 150 miles off the coast of Louisiana, in waters nearly 2,000 feet deeper than BP drilled at Deepwater Horizon. According to congressional documents, the platform lacks required engineering certification for as much as 90 percent of its subsea components – a flaw that internal BP documents reveal could lead to "catastrophic" errors. In a May 19th letter to Salazar, 26 congressmen called for the rig to be shut down immediately. "We are very concerned," they wrote, "that the tragedy at Deepwater Horizon could foreshadow an accident at BP Atlantis."

Tim Dickinson blogs about all the news that fits, from the Beltway and beyond on the National Affairs blog.

The administration's response to the looming threat? According to an e-mail to a congressional aide from a staff member at MMS, the agency has had "zero contact" with Atlantis about its safety risks since the Deepwater rig went down.

It's tempting to believe that the Gulf spill, like so many disasters inherited by Obama, was the fault of the Texas oilman who preceded him in office. But, though George W. Bush paved the way for the catastrophe, it was Obama who gave BP the green light to drill. "Bush owns eight years of the mess," says Rep. Darrell Issa, a Republican from California. "But after more than a year on the job, Salazar owns it too."

During the Bush years, the Minerals Management Service, the agency in the Interior Department charged with safeguarding the environment from the ravages of drilling, descended into rank criminality. According to reports by Interior's inspector general, MMS staffers were both literally and figuratively in bed with the oil industry. When agency staffers weren't joining industry employees for coke parties or trips to corporate ski chalets, they were having sex with oil-company officials. But it was American taxpayers and the environment that were getting screwed. MMS managers were awarded cash bonuses for pushing through risky offshore leases, auditors were ordered not to investigate shady deals, and safety staffers routinely accepted gifts from the industry, allegedly even allowing oil companies to fill in their own inspection reports in pencil before tracing over them in pen.

"The oil companies were running MMS during those years," Bobby Maxwell, a former top auditor with the agency, told *Rolling Stone* last year. "Whatever they wanted, they got. Nothing was being enforced across the board at MMS."

Salazar himself has worked hard to foster the impression that the "prior administration" is to blame for the catastrophe. In reality, though, the Obama administration was fully aware from the outset of the need to correct the lapses at MMS that led directly to the disaster in the Gulf. In fact, Obama specifically nominated Salazar – his "great" and "dear" friend – to force the department to "clean up its act." For too long, Obama declared, Interior has been "seen as an appendage of commercial interests" rather than serving the people. "That's going to change under Ken Salazar."

Salazar took over Interior in January 2009, vowing to restore the department's "respect for scientific integrity." He immediately traveled to MMS headquarters outside Denver and delivered a beat-down to staffers for their "blatant and criminal conflicts of interest and self-dealing" that had "set one of the worst examples of corruption and abuse in government." Promising to "set the standard for reform," Salazar declared, "The American people will know the Minerals Management Service as a defender of the taxpayer. You are the ones who will make special interests play by the rules." Dressed in his trademark Stetson and bolo tie, Salazar boldly proclaimed, "There's a new sheriff in town."

Salazar's early moves certainly created the impression that he meant what he said. Within days of taking office, he jettisoned the Bush administration's plan to open 300 million acres – in Alaska, the Gulf, and up and down both coasts – to offshore drilling. The proposal had been published in the Federal Register literally at midnight on the day that Bush left the White House. Salazar denounced the plan as "a headlong rush of the worst kind," saying it would have put in place "a process rigged to force hurried decisions based on bad information." Speaking to *Rolling Stone* in March 2009, the secretary underscored his

commitment to reform. "We have embarked on an ambitious agenda to clean up the mess," he insisted. "We have the inspector general involved with us in a preventive mode so that the department doesn't commit the same mistakes of the past." The crackdown, he added, "goes beyond just codes of ethics."

Except that it didn't. Salazar did little to tamp down on the lawlessness at MMS, beyond referring a few employees for criminal prosecution and ending a Bush-era program that allowed oil companies to make their "royalty" payments – the amount they owe taxpayers for extracting a scarce public resource – not in cash but in crude. And instead of putting the brakes on new offshore drilling, Salazar immediately throttled it up to record levels. Even though he had scrapped the Bush plan, Salazar put 53 million offshore acres up for lease in the Gulf in his first year alone – an all-time high. The aggressive leasing came as no surprise, given Salazar's track record. "This guy has a long, long history of promoting offshore oil drilling – that's his thing," says Kierán Suckling, executive director of the Center for Biological Diversity. "He's got a highly specific soft spot for offshore oil drilling." As a senator, Salazar not only steered passage of the Gulf of Mexico Energy Security Act, which opened 8 million acres in the Gulf to drilling, he even criticized President Bush for not forcing oil companies to develop existing leases faster.

Salazar was far less aggressive, however, when it came to making good on his promise to fix MMS. Though he criticized the actions of "a few rotten apples" at the agency, he left long-serving lackeys of the oil industry in charge. "The people that are ethically challenged are the career managers, the people who come up through the ranks," says a marine biologist who left the agency over the way science was tampered with by top officials. "In order to get promoted at MMS, you better get invested in this pro-development oil culture." One of the Bush-era managers whom Salazar left in place was John Goll, the agency's director for Alaska. Shortly after, the Interior secretary announced a reorganization of MMS in the wake of the Gulf disaster, Goll called a staff meeting and served cake decorated with the words "Drill, baby, drill."

Salazar also failed to remove Chris Oynes, a top MMS official who had been a central figure in a multibillion-dollar scandal that Interior's inspector general called "a jaw-dropping example of bureaucratic bungling." In the 1990s, industry lobbyists secured a sweetheart subsidy from Congress: Drillers would pay no royalties on oil extracted in deep water until prices rose above \$28 a barrel. But this tripwire was conveniently omitted in Gulf leases overseen by Oynes – a mistake that will let the oil giants pocket as much as \$53 billion. Instead of being fired for this fuckup, however, Oynes was promoted by Bush to become associate director for offshore drilling – a position he kept under Salazar until the Gulf disaster hit.

"Employees describe being in Interior – not just MMS, but the other agencies – as the third Bush term," says Jeff Ruch, executive director of Public Employees for Environmental Responsibility, which represents federal whistle-blowers. "They're working for the same managers who are implementing the same policies. Why would you expect a different result?"

The tale of the Deepwater Horizon disaster is, at its core, the tale of two blowout preventers: one mechanical, one regulatory. The regulatory blowout preventer failed long before BP ever started to drill – precisely because Salazar kept in place the crooked environmental guidelines the Bush administration implemented to favor the oil industry.

MMS has fully understood the worst-case scenarios for deep-sea oil blowouts for more than a decade. In May 2000, an environmental assessment for deepwater drilling in the Gulf presciently warned that "spill responses may be complicated by the potential for very large magnitude spills (because of the high production rates associated with deepwater wells)." The report noted that the oil industry "has estimated worst-case spill volumes ranging from 5,000 to 116,000 barrels a day for 120 days," and it even anticipated the underwater plumes of oil that are currently haunting the Gulf: "Oil released subsea (e.g., subsea blowout or pipeline leak) in these deepwater environments could remain submerged for some period of time and travel away from the spill site." The report ominously concluded, "There are few practical spill-response options for dealing with submerged oil."

That same month, an MMS research document developed with deepwater drillers – including the company then known as BP Amoco – warned that such a spill could spell the end for offshore operations. The industry could "ill afford a deepwater blowout," the document cautions, adding that "no single company has the solution" to such a catastrophe. "The real test will come if a deepwater blowout occurs."

Enter the Bush administration. Rather than heeding such warnings, MMS simply assumed that a big spill couldn't happen. "There was a complete failure to even contemplate the possibility of a disaster like the one in the Gulf," says Holly Doremus, an environmental-law expert at the University of California. "In their thinking, a big spill would be something like 5,000 barrels, and the oil wouldn't even reach the shoreline." In fact, Bush's five-year plan for offshore drilling described a "large oil spill" as no more than 1,500 barrels. In April 2007, an environmental assessment covering the area where BP would drill concluded that blowouts were "low probability and low risk," even though a test funded by MMS had found that blowout preventers failed 28 percent of the time. And an environmental assessment for BP's lease block concluded that offshore spills "are not expected to damage significantly any wetlands along the Gulf Coast."

In reality, MMS had little way to assess the risk to wildlife, since a new policy instituted under Bush scrapped environmental analysis and fast-tracked permits. Declaring that oil companies themselves were "in the best position to determine the environmental effects" of drilling, the new rules pre-qualified deep-sea drillers to receive a "categorical exclusion" – an exemption from environmental review that was originally intended to prevent minor projects, like outhouses on hiking trails, from being tied up in red tape. "There's no analytical component to a cat-ex," says a former MMS scientist. "You have technicians, not scientists, that are simply checking boxes to make sure all the T's are crossed. They just cut and paste from previous approvals."

Nowhere was the absurdity of the policy more evident than in the application that BP submitted for its Deepwater Horizon well only two months after Obama took office. BP claims that a spill is "unlikely" and states that it anticipates "no adverse impacts" to endangered wildlife or fisheries. Should a spill occur, it says, "no significant adverse impacts are expected" for the region's beaches, wetlands and coastal nesting birds. The company, noting that such elements are "not required" as part of the application, contains no scenario for a potential blowout, and no site-specific plan to respond to a spill. Instead, it cites an Oil Spill Response Plan that it had prepared for the entire Gulf region. Among the sensitive species BP anticipates protecting in the semitropical Gulf? "Walruses" and other cold-water mammals, including sea otters and sea lions. The mistake appears to be the result of a sloppy cut-and-paste job from BP's drilling plans for the Arctic. Even worse: Among the "primary equipment providers" for "rapid deployment of spill response resources," BP inexplicably provides the Web address of a Japanese home-shopping network. Such glaring errors expose the 582-page response "plan" as nothing more than a paperwork exercise. "It was clear that nobody read it," says Ruch, who represents government scientists.

"This response plan is not worth the paper it is written on," said Rick Steiner, a retired professor of marine science at the University of Alaska who helped lead the scientific response to the Valdez disaster. "Incredibly, this voluminous document never once discusses how to stop a deepwater blowout."

Scientists like Steiner had urgently tried to alert Obama to the depth of the rot at MMS. "I talked to the transition team," Steiner says. "I told them that MMS was a disaster and needed to be seriously reformed." A top-to-bottom restructuring of MMS didn't require anything more than Ken Salazar's will: The agency only exists by order of the Interior secretary. "He had full authority to change anything he wanted," says Rep. Issa, a longtime critic of MMS. "He didn't use it." Even though Salazar knew that the environmental risks of offshore drilling had been covered up under Bush, he failed to order new assessments. "They could have said, 'We cannot conclude there won't be significant impacts from drilling until we redo those reviews,'" says Brendan Cummings, senior counsel for the Center for Biological Diversity. "But the oil industry would have cried foul. And what we've seen with Salazar is that when the oil industry squeaks, he retreats."

Under Salazar, MMS continued to issue categorical exclusions to companies like BP, even when they lacked the necessary permits to protect endangered species. A preliminary review of the BP disaster conducted by scientists with the independent Deepwater Horizon Study Group concludes that MMS failed to enforce a host of environmental laws, including the Clean Water Act. "MMS and Interior are equally responsible for the failures here," says the former agency scientist. "They weren't willing to take the regulatory steps that could have prevented this incident."

Had MMS been following the law, it would never have granted BP a categorical exclusion – which are applicable only to activities that have "no significant effect on the human environment." At a recent hearing, Sen. Sheldon Whitehouse grilled Salazar about Interior's own handbook on categorical exclusions, which bars their issuance for offshore projects in "relatively untested deep water" or "utilizing new or unusual technology" – standards that

Whitehouse called "plainly pertinent" for BP's rig. "It's hard for me to see that that's a determination that could have been made in good faith," Whitehouse said, noting that the monstrously complex task of drilling for oil a mile beneath the surface of the ocean appeared to have been given less oversight than is required of average Americans rewiring their homes. "Who was watching?"

Not the Interior secretary. Salazar did not even ensure that MMS had a written manual – required under Interior's own rules – for complying with environmental laws. According to an investigation in March by the Government Accountability Office, MMS managers relied instead on informal "institutional knowledge" – passed down from the Bush administration. The sole written guidance appeared on a website that only provided, according to the report, "one paragraph about assessing environmental impacts of oil and gas activities, not detailed instructions that could lead an analyst through the process of drafting an environmental assessment or environmental impact statement."

"People are being really circumspect, not pointing the finger at Salazar and Obama," says Rep. Raul Grijalva, who oversees the Interior Department as chair of the House subcommittee on public lands. "But the troublesome point is, the administration knew that it had this rot in the middle of the process on offshore drilling – yet it empowered an already discredited, disgraced agency to essentially be in charge."

On April 6th of last year, less than a month after BP submitted its application, MMS gave the oil giant the go-ahead to drill in the Gulf without a comprehensive environmental review. The one-page approval put no restrictions on BP, issuing only a mild suggestion that would prove prescient: "Exercise caution while drilling due to indications of shallow gas."

BP is the last oil company on Earth that Salazar and MMS should have allowed to regulate itself. The firm is implicated in each of the worst oil disasters in American history, dating back to the *Exxon Valdez* in 1989. At the time, BP directed the industry consortium that bungled the cleanup response to *Valdez* during the fateful early hours of the spill, when the worst of the damage occurred. Vital equipment was buried under snow, no cleanup ship was standing by and no containment barge was available to collect skimmed oil. Exxon, quickly recognizing what still seems to elude the Obama administration, quickly shunted BP aside and took control of the spill.

In March 2006, BP was responsible for an Alaska pipeline rupture that spilled more than 250,000 gallons of crude into Prudhoe Bay – at the time, a spill second in size only to the *Valdez* disaster. Investigators found that BP had repeatedly ignored internal warnings about corrosion brought about by "draconian" cost cutting. The company got off cheap in the spill: While the EPA recommended slapping the firm with as much as \$672 million in fines, the Bush administration allowed it to settle for just \$20 million.

BP has also cut corners at the expense of its own workers. In 2005, 15 workers were killed and 170 injured after a tower filled with gasoline exploded at a BP refinery in Texas. Investigators found that the company had flouted its own safety procedures and illegally shut off a warning system before the blast. An internal cost-benefit analysis conducted by BP – explicitly based on the children's tale *The Three Little Pigs* – revealed that the oil giant had considered making buildings at the refinery blast-resistant to protect its workers (the pigs) from an explosion (the wolf). BP knew lives were on the line. "If the wolf blows down the house, the piggy is gobbled." But the company determined it would be cheaper to simply pay off the families of dead pigs.

After the blast, BP pleaded guilty to a felony, paying \$50 million to settle a criminal investigation and another \$21 million for violating federal safety laws. But the fines failed to force BP to change its ways. In October, Labor Secretary Hilda Solis hit the company with a proposed \$87 million in new fines – the highest in history – for continued safety violations at the same facility. Since 2007, according to analysis by the Center for Public Integrity, BP has received 760 citations for "egregious and willful" safety violations – those "committed with plain indifference to or intentional disregard for employee safety and health." The rest of the oil industry combined has received a total of one.

The company applied the same deadly cost-cutting mentality to its oil rig in the Gulf. BP, it is important to note, is less an oil company than a bank that finances oil exploration; unlike ExxonMobil, which owns most of the equipment it uses to drill, BP contracts out almost everything. That includes the Deepwater Horizon rig that it leased from a firm called Transocean. BP shaved \$500,000 off its overhead by deploying a blowout preventer without

a remote-control trigger – a fail-safe measure required in many countries but not mandated by MMS, thanks to intense industry lobbying. It opted to use cheap, single-walled piping for the well, and installed only six of the 21 cement spacers recommended by its contractor, Halliburton – decisions that significantly increased the risk of a severe explosion. It also skimped on critical testing that could have shown whether explosive gas was getting into the system as it was being cemented, and began removing mud that protected the well before it was sealed with cement plugs.

As BP was cutting corners aboard the rig, the Obama administration was plotting the greatest expansion of offshore drilling in half a century. In 2008, as prices at the pump neared \$5 a gallon, President Bush had lifted an executive moratorium on offshore drilling outside the Gulf that had been implemented by his father following the *Exxon Valdez*. On the campaign trail, Obama had stressed that offshore drilling "will not make a real dent in current gas prices or meet the long-term challenge of energy independence." But once in office, he bowed to the politics of "drill, baby, drill." Hoping to use oil as a bargaining chip to win votes for climate legislation in Congress, Obama unveiled an aggressive push for new offshore drilling in the Arctic, the Southeastern seaboard and new waters in the Gulf, closer to Florida than ever before. In doing so, he ignored his administration's top experts on ocean science, who warned that the offshore plan dramatically understated the risks of an oil spill and petitioned Salazar to exempt the Arctic from drilling until more scientific studies could be conducted.

Undeterred, Obama and Salazar appeared together at Andrews Air Force Base on March 31st to introduce the plan. The stagecraft was pure Rove in its technicolor militaristic patriotism. The president's podium was set up in front of the cockpit of an F-18, flanked by a massive American flag. "We are not here to do what is easy," Salazar declared. "We are here to do what is right." He insisted that his reforms at MMS were working. "We are making decisions based on sound information and sound science." The president, for his part, praised Salazar as "one of the finest secretaries of Interior we've ever had" and stressed that his administration had studied the drilling plan for more than a year. "This is not a decision that I've made lightly," he said. Two days later, he issued an even more sweeping assurance. "It turns out, by the way, that oil rigs today generally don't cause spills," the president said. "They are technologically very advanced."

Eighteen days later, on the eve of the 40th anniversary of Earth Day, the Deepwater Horizon rig went off like a bomb.

From the start of its operation in the Gulf, BP had found itself struggling against powerful "kicks" from gas buildup, just as MMS had warned. Now, on April 20th, the pent-up methane exploded in a fireball that incinerated 11 workers. Like a scene out of a real-life Jerry Bruckheimer film, the half-billion-dollar rig – 32,000 tons and 30 stories tall – listed over and sank to the bottom two days later, taking a mile of pipe down with it.

Within hours, the government assembled a response team at the "war room" of the National Oceanographic and Atmospheric Administration in Seattle. The scene, captured by a NOAA cameraman and briefly posted on the agency's website, provides remarkable insight into the government's engagement during the earliest hours of the catastrophe, and, more troubling, the role of top administration figures in downplaying its horrific scope.

At a conference table, nearly a dozen scientists gather around a map of the Gulf. Joshua Slater, a commissioned NOAA officer dressed in his uniform, runs the show. "So far we've created a trajectory [of the slick] that was passed up the chain of command to the Coast Guard and eventually to the president showing where the oil might go," he tells the assembled team. BP's remote operated sub, he adds, "was unsuccessful in activating the blowout preventers, so we're gearing up right now."

An NOAA expert on oil disasters jumps in: "I think we need to be prepared for it to be the spill of the decade."

Written on a whiteboard at the front of the room is the government's initial, worst-case estimate of the size of the spill. While the figure is dramatically higher than any official estimate issued by BP or the government, it is in line with the high-end calculations by scientists who have monitored the spill.

"Estm: 64k - 110k bbls/Day." The equivalent of up to three *Exxon Valdez* spills gushing into the Gulf of Mexico every week.

Damningly, the whiteboard also documents the disconnect between what the government

suspected to be the magnitude of the disaster and the far lower estimates it was feeding to the public. Written below the federal estimate are the words, "300,000 gal/day reported on CNN." Appearing on the network that same day on a video feed from the Gulf, Coast Guard Rear Adm. Mary Landry insisted that the government had no figure. "We do not have an estimate of the amount of crude emanating from the wellhead," she said.

Later in the video, a voice on speakerphone with a heavy Southern accent reveals that government scientists were concerned from the very beginning about underwater plumes of oil – a reality that NOAA administrator Jane Lubchenco and BP executives are still seeking to downplay. "They weren't sure how that oil was going to react once it was spilled," the voice says. "Whether it was going to rise, or form layers and start twisting around." The government, in short, knew from the start that surface measurements of the oil slick – on which it would premise its absurdly low estimate of 5,000 barrels a day – were likely to be unreliable.

By that evening, the White House was gearing up for an urgent response. The president convened an emergency meeting in the Oval Office with Adm. Thad Allen, Homeland Security Secretary Janet Napolitano, Interior Secretary Ken Salazar and top White House deputies Rahm Emanuel, Carol Browner and Larry Summers. Obama forcefully instructed his team that the response to the oil spill should be treated as a "number-one priority."

But then the fog of war set in. The following day, the Coast Guard – relying on assurances from BP – declared that the spill appeared to be limited to oil that was stored aboard the sunken rig. With a worst-case crisis seemingly averted, Obama checked out, heading off for a long weekend in Asheville, North Carolina, where he and the first lady would stop for ribs at a barbecue joint called 12 Bones Smokehouse before checking into the Grove Park Inn, a golf resort and spa. Asked whether the spill would hamper the president's offshore drilling agenda, spokesman Gibbs made light of the disaster. "I don't honestly think it opens up a whole new series of questions," he said. "I doubt this is the first accident that has happened, and I doubt it will be the last."

The next day, April 24th, Landry told reporters that leaks had been discovered in the riser pipe and estimated the flow at 1,000 barrels a day. "This is a very serious spill," she said. Over the next five days, the administration took significant steps to deal with the spill, but the effort fell far short of what was needed to tackle a crisis that BP was already privately estimating could be as catastrophic as 14,000 barrels a day. A Joint Information Center – a strange partnership involving BP, the Coast Guard and MMS – was set up in Louisiana. Senior officials met with BP CEO Tony Hayward to "receive briefings on the company efforts to stop the flow." The Navy opened a base in Florida as a staging area for BP's cleanup work. Salazar ordered inspections for rigs throughout the Gulf and visited BP's command center in Houston. Napolitano began an investigation into the disaster.

The president himself was occupied elsewhere. After returning from his vacation, Obama spent Monday, April 26th palling around with Derek Jeter and the New York Yankees, congratulating them on their World Series victory. He later took time to chat with the president of Honduras. When he put in a call to Gov. Haley Barbour of Mississippi, it was to talk about tornadoes that had caused damage in that state, with only a brief mention of the oil spill. On Tuesday the 27th, Obama visited a wind-turbine plant in Iowa. Wednesday the 28th, he toured a biofuels refinery in Missouri and talked up financial reform in Quincy, Illinois. He didn't mention the oil spill or the Gulf.

That evening, administration officials received news that – to judge from their subsequent response – scared the shit out of them. "The following is not public," a confidential NOAA advisory stressed. "Two additional release points were found today in the tangled riser. If the riser pipe deteriorates further, the flow could become unchecked, resulting in a release volume an order of magnitude higher than previously thought. There is no official change in the volume released but the [Coast Guard] is no longer stating that the release rate is 1,000 barrels a day. Instead they are saying that they are preparing for a worst-case release and bringing all assets to bear."

Standing before the cameras, a visibly shaken Landry bumbled through the reading of a press release. Although BP continued to believe its estimate of 1,000 barrels a day, she said, "NOAA experts believe the output could be as much as 5,000 barrels." The remarks established, for the first time, a figure that both BP and the government would stick to long past its sell-by date.

After he was briefed that evening, Obama told his deputies to contact the Pentagon. The following day, Napolitano declared the BP disaster, which was now approaching the size of

Puerto Rico, an "Oil Spill of National Significance" – the designation required to draw on regional resources and to appoint an incident commander to coordinate a federal response. It had taken a full week after Deepwater Horizon exploded for the government to become fully engaged – a critical lapse that allowed the crisis to spiral out of control.

The White House press office organized a show of overwhelming force, with Gibbs convening Browner, Napolitano, Deputy Interior Secretary David Hayes, EPA chief Lisa Jackson and Coast Guard Rear Adm. Sally Brice-O'Hara for a single press conference on April 29th. Though clearly meant to signal engagement, the all-star crew didn't have their message straight. When Brice-O'Hara praised "the professionalism of our partner, BP," Napolitano quickly barked, "They are not our partner! They are not our partner!" For her part, Napolitano revealed that she didn't know whether the Defense Department possessed any assets that could help contain the spill, and referred vaguely to "whatever methodologies" BP was using to seal the well.

Instead of seizing the reins, the Obama administration cast itself in a supporting role, insisting that BP was responsible for cleaning up the mess. "When you say the company is responsible and the government has oversight," a reporter asked Gibbs on May 3rd, "does that mean that the government is ultimately in charge of the cleanup?" Gibbs was blunt: "No," he insisted, "the responsible party is BP." In fact, the National Oil and Hazardous Substances Pollution Contingency Plan – the federal regulations that lay out the command-and-control responsibilities for cleaning up an oil spill – makes clear that an oil company like BP cannot be left in charge of such a serious disaster. The plan plainly states that the government must "direct all federal, state or private actions" to clean up a spill "where a discharge or threat of discharge poses a substantial threat to the public health or welfare of the United States."

"The government is in a situation where it's required to be in charge," says William Funk, a professor of environmental and administrative law at Lewis and Clark College who previously worked as a staff attorney in the Justice Department.

What's more, the administration failed to ensure that BP was prepared to respond to the mess on the surface, where a lack of ships and equipment has left more than 100 miles of the coast – including vast stretches of fragile marshlands – covered in crude. According to MMS regulations, the agency is supposed to "inspect the stockpiles of industry's equipment for the containment and cleanup of oil spills." In BP's case, the agency should have made sure the company was prepared to clean up a spill of 250,000 barrels a day. But when Rolling Stone asked MMS whether BP had the required containment equipment on hand, the agency's head of public affairs in the Gulf replied, "I am not clear if MMS has the info that you are requesting."

The effect of leaving BP in charge of capping the well, says a scientist involved in the government side of the effort, has been "like a drunk driver getting into a car wreck and then helping the police with the accident investigation." Indeed, the administration has seemed oddly untroubled about leaving the Gulf's fate in the hands of a repeat criminal offender, and uncurious about the crimes that may have been committed leading up to the initial sinking of the rig. The Obama Justice Department took more than 40 days after the initial blast killed 11 workers to announce it was opening a criminal probe.

From the start, the administration has seemed intent on allowing BP to operate in near-total secrecy. Much of what the public knows about the crisis it owes to Rep. Ed Markey, who chairs the House Subcommittee on Energy and the Environment. Under pressure from Markey, BP was forced to release footage of the gusher, admit that its early estimates put the leak as high as 14,000 barrels a day and post a live feed of its undersea operations on the Internet – video that administration officials had possessed from the earliest days of the disaster. "We cannot trust BP," Markey said. "It's clear they have been hiding the actual consequences of this spill."

But rather than applying such skepticism to BP's math, the Obama administration has instead attacked scientists who released independent estimates of the spill. When one scientist funded by NOAA released a figure much higher than the government's estimate, he found himself being pressured to retract it by officials at the agency. "Are you sure you want to keep saying this?" they badgered him. Lubchenco, the head of NOAA, even denounced as "misleading" and "premature" reports that scientists aboard the research vessel *Pelican* had discovered a massive subsea oil plume. Speaking to PBS, she offered a bizarre denial of the obvious. "It's clear that there is something at depth," she said, "but we don't even know that it's oil yet."

Scientists were stunned that NOAA, an agency widely respected for its scientific integrity, appeared to have been co-opted by the White House spin machine. "NOAA has actively pushed back on every fact that has ever come out," says one ocean scientist who works with the agency. "They're denying until the facts are so overwhelming, they finally come out and issue an admittance." Others are furious at the agency for criticizing the work of scientists studying the oil plumes rather than *leading* them. "Why they didn't have vessels there right then and start to gather the scientific data on oil and what the impacts are to different organisms is inexcusable," says a former government marine biologist. "They should have been right on top of that." Only six weeks into the disaster did the agency finally deploy its own research vessel to investigate the plumes.

The failure of the Obama administration to crack down on BP – and to tackle the crisis with the full force of the federal government – is likely to haunt the Gulf Coast for decades to come. Oil continues to lap up onshore in Louisiana, Alabama, Mississippi and Florida. Pelican rookeries are fouled, their eggs and nests soaked in oil. The region's fisheries – some of the richest in the world – are imperiled; anglers and shrimpers have been barred from more than a third of the Gulf's waters, which may never fully recover from the toxic stew of crude and chemical dispersants now twisting in its depths. The region's beaches are empty, and tourist towns are dying. Administration officials now admit that the oil may continue to gush into the Gulf until August, when relief wells are finally in place.

Both the government and BP have reasons to downplay the extent of the spill. For BP, the motive is financial: Under the Clean Water Act, the company could owe fines of as much as \$4,300 for every barrel spilled, in addition to royalties for the oil it is squandering. For the Obama administration, the disaster threatens to derail the president's plan to expand offshore drilling. "It's crystal clear what the federal response to the tragedy ought to be," said Sen. Frank Lautenberg, who chairs the Senate subcommittee on environmental health. "Bring a dangerous offshore drilling pursuit to an end."

The administration, however, has made clear that it has no intention of reversing its plan to expand offshore drilling. Four weeks into the BP disaster, when Salazar was questioned in a Senate hearing about the future of the president's plan, he was happy to stand up for the industry's desire to drill at any cost. "Isn't it true," asked Sen. Lamar Alexander, a Republican from Tennessee, "that as terrible as the tragedy is, that unless we want \$14, \$16, \$18, \$20-a-gallon gasoline, that it's not realistic to think that we would actually stop drilling for oil in the Gulf?" Unbowed by the catastrophe that was still unfolding on his watch, Salazar heartily agreed, testifying that the president had directed him to "move forward" on offshore drilling.

That may help explain why the administration has gone to unusual lengths to contain the spill's political fallout. On May 14th, two days after the first video of the gusher was released, the government allowed BP to apply a toxic dispersant that is banned in England at the source of the leak – an unprecedented practice in the deep ocean. "The effort should be in *recovering* the oil, not making it more difficult to recover by dispersing it," says Sylvia Earle, a famed oceanographer and former NOAA chief scientist who helped the agency confront the world's worst-ever oil spill in the Persian Gulf after the first Iraq War. The chemical assault appeared geared, she says, "to improving the appearance of the problem rather than solving the problem."

Critics of the administration's drilling plans fear that the president's decision to postpone drilling in the Arctic and appoint a commission to investigate the BP spill are merely stalling tactics, designed to blunt public anger about the disaster. "The way the PR is spinning is once that spill is plugged, then people declare victory," says Rep. Grijalva. "The commission stalls it long enough where the memory of the American people starts to fade a little bit on the issue. After that, we're back to where we were."

President Obama pushed to expand offshore drilling, in part, to win votes for climate legislation, which remains blocked in the Senate. The political calculus is understandable – the risk of an oil spill weighed against the far greater threat posed by global warming – but in the end, he may have succeeded only in compounding one environmental catastrophe with another. Even if the climate bill is eventually approved, the disaster in the Gulf will serve as a lasting and ugly reminder of the price we paid for our addiction to oil. "It was a bargain with the devil," says Steiner, the marine scientist who helped lead the response to the Valdez disaster. "And now the devil is gloating."

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