

*United States House of Representatives
Committee on the Judiciary*

Written Statement of William C. Lemmer,
Senior Vice President and General Counsel
of Cameron International Corporation

May 27, 2010

My name is William C. Lemmer, and I am Senior Vice President and General Counsel of Cameron International Corporation. I have been with Cameron for 11 years and have over 30 years of experience in the oil industry.

I wish I could say that I appreciate the invitation to be here today, but the fact of the matter is that we are here to discuss a truly tragic event and the consequences that have and will continue to flow from it.

I want to assure all of you that since the day of the incident, Cameron has been lending its assistance and we will continue to work with everyone involved to understand what and how this happened.

Cameron is based in Houston Texas and is a leading provider of equipment and services to the energy industry worldwide, with 11 different operating divisions and approximately 18,000 employees in more than 300 locations. We have worked with our customers for over 120 years to design, manufacture and service products that help them safely find, develop, produce and transport oil and gas.

The Cameron product used by the Deepwater Horizon is called a “blow out preventer” or “BOP,” a product that Cameron actually invented in the 1920’s, that allows our customers to control the pressure in a well while being drilled. There are over 2,500 Cameron BOP’s operating around the world today, both onshore and offshore. We have over 400 BOP stacks operating offshore, of which 130 are operating in deep water. Each individual BOP stack is made up of components specified by our customers and configured to their specific operating specifications. Each is manufactured and tested in accordance with industry standards and applicable regulations.

Our BOP’s have a very long history of reliable performance, including performance in some of the harshest operating conditions in the world. In support of our commitment to our products’ on-going performance, we maintain a system of

safety alerts and product advisories that keep our customers abreast of the latest information about our products.

As soon as Cameron was notified of this incident, we mobilized a team of our best drilling systems specialists to work with BP, Transocean, and others to assist with the efforts to shut in this well. We also mobilized teams from our sub-sea, surface and valves divisions to assist BP and its partners in some of the alternative methods they are deploying to contain the flow from the well. Our people have been working around the clock to assist in this effort, and we will continue to provide all of the resources at our disposal until the well is shut in.

The subject of today's hearing is Liability Issues Surrounding the Gulf Coast Oil Disaster. It is difficult to say anything with precision on this subject at this stage. Efforts to cap the well are ongoing and facts relating to the explosion and its impact on the BOP and its ability to properly function are simply unknown at this point. The present challenges involved in determining causes and effects are many, in particular, from our standpoint, the inability to examine the Deepwater Horizon's BOP. It therefore appears to be far too early to draw factual conclusions about how the incident occurred.

And so too is it with respect to questions of liability which are, by their very nature, closely linked to those presently unanswered factual questions. Anything specific we might say in this connection would be speculative and, perhaps, misleading (or potentially so) to the Committee, to the public, and to Cameron shareholders. Given the very limited extent of everyone's present understanding of the facts, it is impossible for anyone to make liability determinations at this point.

Nonetheless, every one of us is mindful of the personal, environmental and commercial concerns associated with this incident. We understand the need to discover the facts relating to what went wrong, and to do all that is possible to prevent the occurrence of such an incident in the future.