



P.O. Box 515429
Dallas, Texas 75251
Ph: (972) 669-3390
Fax: (469)241-0896
Email: oseicorp@msn.com
Web: www.osei.us

5/6/10

Spill response overview

I. BP Rig Blow out, 11 men die rig is compromised.

1. Oil leaks and BP does not admit to problem for several days.
2. BP then takes responsibility.
3. BP activates its contingency plan in which the Regional Response Team has pre approved, a toxic product for. Minerals management exempted BP from having a registered response plan.
4. BP states it wants to burn the oil, and RTT team allows test burns. (even though in the late nineties or early thousands the EPA with the international community tried test burns in the North Sea, and it was determined that burning oil injected too much carcinogenic benzene in the air, and the practice was deemed unacceptable, and outlawed in several countries.

NOTE; RRT is the Regional Response Team that pre approves spill contingency plans and decides what response it will allow. The EPA through its oil program is required by law to develop a protocol to verify a products basic efficacy in order to be placed on the National Contingency Plan list (NCP). There are two categories that have received the most attention since the Valdez spill, dispersants, and Bioremediation. A protocol was developed in 1992 to test and validate the efficacy of bioremediation products. The EPA and NETAC, a University of Pittsburgh group developed the bio remediation protocol. OSE II was the only product to get to the end Tier, based on communication from a non disclosed source in the EPA. EPA then for whatever reason decided not to accept their own tests, and asked all bio products to retest in order to remain on the NCP list. Since we knew there was no point, because it is impossible to get used, I decided not to rerun the test for a time. However in the

summer of 2009 the OSEI Corporation paid the 22,000.00\$ for the test to be run for the EPA at LSU University. OSE II reduced 90 % of the heavy North Slope Alaskan crude for the test. Given a day longer, it would have been 100%. As far as I have been able to ascertain Oil Spill Eater II (OSE II) is the only bioremediation first response tool for a spill in the world. The dispersant test requires a dispersant to sink the oil in a certain amount of time or it fails the test. The dispersant advocates, which once you learn their mode of action becomes a small number of advocates, state that the oil is sunken 3 meters below the water, and by breaking up the spill it becomes more available to bacteria. Reality is that the oil inevitably sinks to the bottom of the ocean and rolls up on shorelines as tar balls.

THE OSEI CORPORATION believes that sinking the oil impacting a secondary area, that will then sink to the ocean floor adversely impacting bottom dwellers, impacting a third area, and then rolling up on beaches impacting a 4th area IS UNACCEPTABLE!!! The oil still comes ashore its just hidden. I heard first hand at an RT T conference heard the statement OUT OF SIGHT OUT OF MIND!

RRT is made up of several Federal agencies and the member states of the region. There are 10 regional response teams in the US. Region 6, which is in charge of this Gulf spill, the members states are Louisiana, Texas, Arkansas, Oklahoma, and New Mexico, these are the states on this team for the Gulf spill. The EPA is the Kingpin, and the Coast Guard acts as their POLICE, to enforce what they deem acceptable, and the EPA writes all the laws and rules to that end.

4. Bp starts applying corexit 9527, a dispersant that has 2 butoxy ethanol in it. A substance that if it gets on your skin can causes kidney failure and death. The EPA and the RRT's have allowed this toxic poisonous dispersant to be used numerous times in US waters. In fact they pre approved corexit so it could be utilized without time delay or road blocks. (The UK banned the use of corexit) We also know of an overspray of this dispersant that got on a Coast Guard vessel, and caused the marine paint to chip off. We do not know what happened to the men on the vessel.

5. The first 5 to 7 days of the spill, the average and ordinary response was carried out. There has not been one improvement in the clean up of oil since the Valdez spill. However the command and control and the communication has improved, and even though OSE II is known by everyone in the spill community especially the EPA, and the Coast Guard. we have not received a call.

6. BP contingency plan, proves to be inadequate, and the spill is getting out of control due to the continued oil release. The RRT nor BP are considering any new response actions even though the EPA NCP list has OSE II on it and available.

7. Interesting side NOTE. The RRT 6 has authorized and utilized the use of OSE II on a water spill on the OSAGE Indian reservation in Oklahoma. OSE II was applied and cleaned up the spill successfully in cold temperatures in a short time. We learned

P3

that the EPA had tried numerous types of clean up responses before accessing the only one that worked, OSE II. So you have a spill getting out of hand, and the RRT's reaction is to allow burning which they know is hazardous to humans. However the RRT states we are going to monitor the air, as though this will somehow have an impact on what the RRT already knows is going to happen and deemed unacceptable previously. Why would the RRT allow such a reckless action to be carried out?

8. On May the second I get a call from an old associate that wants to be a representative for the OSEI Corporation, so I agree and he starts promoting OSE II again. Mean while BP is forced to admit spill is getting worse and may become the worst disaster in US History. Their response however does not change, they are adhering to the old play book that has never completely cleaned up a major spill. RRT is not adding anything to the response or considering OSE II, a product it knows first hand about and is on the NCP list which means it is legally acceptable to be used on a spill.

9. May 2nd 2010 Kevin Barteir our rep performs a demonstration of OSE II on water in front of the Baton Rouge Channel 9 CBS affiliate. Everyone who sees the demonstration is amazed at how well OSE II breaks down the oil. BP is asked if they are going to use OSE II, since OSE II has been used on a well blow out for them in Trinidad and Tobago, and OSE II was used on their refinery on the Island of Crete in Greece. BP states that they have not heard of OSE II a product on the National Contingency Plan for Oil spills, and that they are processing 1200 ideas. (RRT'S and States and spillers always discuss how many ideas and calls they get, to deflect the conversation). To date never in a large spill has the RRT accessed and allowed a product that called in, **THEY CANNOT BY LAW**. If a product is not on the NCP list it is not legal to use it. So why don't they tell people calling in, if you are not on the NCP list, you cannot be used? Its so they can discuss these calls that mean absolutely NOTHING. Kevin then gets a call from another person that would like to become associated with OSE II, David Fakouri. A person that helped the State of Louisiana out greatly with the Katrina Hurricane. On this day it was reported by the Coast Guard that 2,000,000 gallons of crude oil had been released into the water. The price for OSE II in the US is approximately 2.00\$ of OSE II for each gallon of spilled oil. So the cost at this point would have been 4,000,000.00\$ worth of OSE II and another 300,000.00\$ to 400,000.00\$ for vessels and labor, this seems like a cost effective means to save the Louisiana shoreline.

10. David Fakouri starts discussing what he has seen on TV with State of Louisiana Senators and representatives. The spill is becoming increasingly difficult to even address.

11. May 4th David Fakouri states he has some meetings with Louisiana State Senators and believes I should talk with them in person. So I go to Louisiana on May 5th and meet in the morning with Senator AG Crowe, Mark Cooper of homeland

security, Mr. Haywood, and a professor from University of Lafayette. At this meeting Senator A G Crowe states that they want a second meeting with more Senators, and legal assistants and attorneys. I requested that a person from DEQ show up because it seems I am the only one that understands the RRT's and the process to get used.

12. The same afternoon we meet in a conference room full of Senators, professors and a very respectable DEQ personnel Chris Piehler, who actually set on the RRT as the Louisiana state representative. He was able to discuss information as to how to go forward, and in this meeting I discovered that the Governor had developed a fast track system to find and activate a new and better response should it be discovered. The new product would go through a review, which the professor from Lafayette was a part of, as well as professors from LSU and the State. After our discussion the Senators wanted a demonstration. So the entire standing room only conference room and OSEI Corporation associates went outside to the back of the Capital, to a lake behind the capital. Oil was poured onto the lake, and Kevin Barteir started applying OSE II. All concerned were amazed. Their reaction was that they wanted the fast track review group to review OSE II technical information as well as the OSEI Corporations tests, and experience. The fact that OSE II is on the EPA NCP List would allow the State to request the use of OSE II, and it would be legal to use OSE II on the big Gulf spill.

13. The OSEI Corporation waited for the review. which took some time, and late in the evening we received a call to let us know that the group review concluded that OSE II had merit, and the state wanted to move forward with OSE II. We were then told that the Governor and others wanted to have OSE II applied to Chandeleur Island where the oil was coming ashore the next day; and the state would arrange transportation to the Island. We were then asked to call Mrs. Murril at 7:30 am to set up a meeting in the early morning.

14. We went to the Governor's office at 8:00 am to meet with his deputy attorney Mrs. Murril the next morning before we left for the island. She stated that the Governor was interested in the potential of OSE II since the spill response so far was inadequate. She also stated Louisiana DEQ personnel would meet us at Shell Beach to go to the Chandeleur Island with us to observe the demonstration of OSE II.

15. We left just before noon to go to the staging site by helicopter. The helicopter we were in was not cleared to go over water so we waited for the State to send a helicopter that was water ready. While there ABC news interviewed myself, Steven Pedigo and I gave them our background information, and this prompted the question why isn't BP using OSE II, I stated you will have to ask them. While waiting a Parish President with a man in charge of a sensitive fishing area, DEQ members, and responders then asked to see OSE II demonstrated at the staging site. So DEQ and over 60 witnesses, with ABC filming asked our associate to apply OSE II to a sheen that was around some fishing boats. Everyone was amazed at how fast OSE II started breaking up the oil sheen. Then a Parish leader stated I want to see a real

P5

demonstration. So he got a 5 gallon bucket of diesel and oil from a fisherman and now with even more witnesses the leader poured a couple of gallons on the water and it was now easier to see. OSE II was then sprayed onto the spill and in just a few minutes the spill started breaking up and everyone was amazed. So much so that they started asking for pricing, and they were even more amazed at how inexpensive OSE II is to clean up a gallon of oil. The man in charge of the fisherman asked how to apply OSE II in a large scenario situation, and we settled on the fact that the easiest means would be to get eductor systems with small pumps and put them on each fisherman's boat, with OSE II and start attacking the oil before it hit their sensitive marshes estuaries and fishing areas. ABC Filmed the entire process and they were amazed. ABC then stated they had to be on the helicopter with us to go to the Island for the demonstration. The reporter stated this should change oil spill response FOREVER, and for the better. Unfortunately the water ready helicopter could not get to us in time. Plans were then made to go out the next day. So I changed all my plans to leave on Friday to Saturday. While we were flying back to Baton Rouge the air was thick with haze and smoke from the burn on the ocean. Citizens of Louisiana if your manufacturing plant puts out too much smoke they will be fined. However if the EPA wants to allow the burning of crude oil and allowing the benzene contaminated smoke to cover the state of Louisiana causing health problems starting today, they will just do it. The EPA outlawed burning from North sea burn tests, and now they are allowing it in the waters of the US, and the smoke drifted right over the State of Louisiana. I saw it up close and personal.

16. When we arrived back at Baton Rouge we received a call from a state of Louisiana personnel Dwight Baxter. He is the state representative associated with the RRT. He stated that he is not telling me to not go to the Island and spray OSE II, however he had heard rumblings from RRT members, which means that if the US EPA discovers that the OSEI Corporation sprays OSE II on the spill, there would be long term consequences. No definition of consequences just a veiled threat. This person then stated I think we should wait two or three weeks, I stated that is how you want to protect your state. I asked do you understand what kind of damage you will have on your shorelines by then. He was unwilling to discuss his part. I then tried to ask him why he had not pushed the RRT/EPA to use OSE II since his own Governor saw the potential. He did not want to discuss anything, which then made me realize he was told to call me, and tell me this information. Since I did not commit to whether I would go and spray or not, he had no assurances as to what my intentions were. Ten minutes later I get a call from the DEQ personnel that was supposed to go out to the Island with us on this day to apply OSE II, who was now set up to go with us on the next day. He called, in his words to tell me the first guy is blunt and direct, and what he tells you, you can take to the bank. I asked him why this guy did not ask the RRT to approve what the Governor seemed to want, since the Governor now knows of a safe non toxic clean up product that actually addresses the spill 100%, and converts the oil to CO₂ and water. He stated I am not sure. The he repeated himself, which made me realize again they were really

P6

pushing this message which means that they both had been told to deliver this veiled threat. I told him that I had decided not to go and have OSE II applied to the oil, and I moved on.

17. Now it seems as of Friday the 7th of May you have the EPA allowing the addition of toxic pollutants to the air. It seems corexit has such a bad name that they have decided to go to another dispersant that does not clean up oil, once again it just sinks it. The oil is coming ashore one way or the other. I guess the RRT has a study on how Tar balls affect a marsh or estuary. Seems it would need to be a long term, study since a ball of oil will last longer than a broken down droplet of oil. The average person could probably figure out the results of tar ball contamination without a study. Mean while the oil continues to release.

18 Time Magazine talked with BP and asked them about bioremediation and OSE II. The BP reply, was bioremediation is not off the table, (I have heard this for 20 years) and they stated they are not sure OSE II could handle this large spill. It seems apparent that what they are doing is not handling the spill. It seems any response with OSE II the safe non toxic complete clean up process would have been better than using any dispersant and sinking the oil; or toxic burning, and letting this spill get out of control. ABC asked BP on May 6th about OSE II and I am copying the response from BP

From: "BP press office, London" <bppress@bp.com>
Date: Thu, May 6, 2010 6:25 PM
Subject: Oil spill eater
To: <hillmd@aol.com>
Cc: "Su-Lin Nichols" <SNichols@brunswickgroup.com>, "Catherine Hill" <chill@brunswickgroup.com>

Michael, I don't know anything about this product, but we can only use dispersants approved by the USCG and the relevant offshore and environmental regulators. This is part of our response plan prepared ahead of issuing permits allowing us to start offshore activities. If the product you suggest isn't approved or part of the approved spill plan, we can't use it - or at least not without getting it approved ad hoc. I would guess that the list of approved dispersants is something the CG holds.

rgds
Robert Wine
BP
Press Officer

The press officer is admitting they can ask for approval ad hoc which if you have read the 40CFR part 300 you would know this is a reality.

What is interesting is that once told of the successful demonstration, there is no response to, we will call them and discuss the possibility of using OSE II. WHY?

I. The State of Louisiana can directly request the approval for use of OSE II, which is what I stated in the first meeting with Senator Crowe, when I said everything must go through the RRT. This is an avenue.

II. The second avenue is what I believe to be the win, win, win, avenue. Ask BP to use OSE II since their response plan was inadequate, and it has caused the people of the United States to pull back from opening any new drilling areas since they do not believe that oil companies can respond adequately in case of a disaster. Using a safe easy to use product that actually cleans up the oil would allow BP and the State of Louisiana to come out after the clean up, and state that they now have a safe effective means to deal with environmental accidents, which could help allow the people of the US to become comfortable with allowing the expansion of drilling areas. Everyone wins.

There have been so many witnesses to the demonstration of OSE II that people will wonder why the safe effective product that's on the NCP list was not utilized.

What is the next step?

There are now reports of tar balls coming ashore, it was predictable. However if it has 2 butoxy ethanol attached to it which it should, it is a toxic lethal contaminant, that is 100 more times toxic than the oil by itself. You can touch crude oil without DYING, you should not touch these tar balls!!

May 12, 2010

19. Kevin Barbeir demonstrated OSE II for the fire Chief of Grand Isle, and he now wants to use OSE II. David Fakouri drove to Alabama and discussed OSE II with state officials, and warned them about the potential lethal hazard the tar balls may contain since they were sunken with a toxic dispersant. In Dallas, Texas the CEO of the OSEI Corporation performs a demonstration for ABC Dallas, and shows drums staged for going to Louisiana. Also mentions the OSEI Corporation is giving OSE II to the fisherman in 4 Parishes to help them protect their vessels.

This evening the OSEI Corporation gets an email from Michael Hill, that he received from a Coast Guard Captain. The captain stated that OSE II is a finishing up product, below is the back and forth

FW: USCG reply...]

P8

Fro **OSEI CORP**
m: (oseicorp@msn.com)
Sen Tue 5/11/10 3:34 PM
t:
To: Stevenosei
(stevenosei@msn.com)

From: mdhill@abc26.com
To: oseicorp@msn.com
Date: Mon, 10 May 2010 22:41:21 -0500
Subject: RE: USCG reply...

Cool, just did it.

From: OSEI CORP [mailto:oseicorp@msn.com] **Sent:** Monday, May 10, 2010 10:15 PM **To:** Hill, Michael D **Cc:** hillmd@aol.com **Subject:** RE: USCG reply...

Dear Michael,

What we intended is that you give the Coast Guard Captain your live video demonstration, and point out that it seems to refute his statement, as does our extensive picture Gallery. This poor Captain was given his orders to reply to you with this statement which is an old statement. The problem is that your video, and our mountain of evidence makes it UNTRUE, so his credibility is shot.

P9

From: mdhill@abc26.com To: oseicorp@msn.com Date: Mon, 10 May 2010 18:20:39 -0500 Subject: RE: USCG reply...

Steven,

Kevin got back to me. Here's the link of our main report last Thursday at 6:30 on ABC26

<http://www.abc26.com/videobeta/bacb5f5c-81d1-4a12-8b44-c5c3c476607d/News/Oil-Eater-The-Oil-Spill-Solution>

thanks

peace

Michael

(ps keep me updated by sending emails to Hillmd@aol.com because I don't get my station emails forwarded to my personal account or mobile phone.)

From: OSEI CORP [mailto:oseicorp@msn.com] **Sent:** Monday, May 10,

P10

2010 6:03 PM **To:** Hill, Michael D **Cc:** Kevin Barbier Barbier; David Fakouri **Subject:** RE: USCG reply...

Dear Michael,

St> Bernard for shore, Venice, and I will have to ask Kevin and get back to you, and I will give you some names as well.

Steven Pedigo

From: mdhill@abc26.com To: oseicorp@msn.com Date: Mon, 10 May 2010 17:59:21 -0500 Subject: RE: USCG reply...

Hi Steven,

Which 4 parishes and who are the contacts there? Thanks

Peace

Michael

From: OSEI CORP [mailto:oseicorp@msn.com] **Sent:** Monday, May 10, 2010 5:54 PM **To:** Hill, Michael D **Cc:** David Fakouri; Kevin Barbier Barbier **Subject:** RE: USCG reply...

P11

Dear Michael Hill,

The Captain is miss informed. OSE II is a first response biological response product. Just because OSE II is listed as a biological product, is why he made this statement. OSE II is the most appropriate first response he could make. OSE II is and has been used as a first and only response tool for spills. Go to our web site especially with fire departments. They may not use us on water, but OSE II is the first and only response tool used. We have a huge picture gallery as being utilized as a first and only response tool, everywhere. This was a staged answer to take off the heat. Some one needs to ask him if he has seen the pictures on the web site that refute his statement. Even the Coast Guard has used OSE II as a first and only response tool. He just deflected your question! Michael, I just finished an interview with ABC Dallas. They filmed our staging of OSE II to be shipped to Louisiana and filmed the 11 cases of OSE II we are giving the fisherman in 4 different Parishes. Our Representative in Alabama is meeting with State and Local officials on Dolphin Island to show them a solution to cleaning up the tar balls once they bring them ashore. He is also alerting them to the fact that these tar balls could have the dispersant constituent, 2 butoxy ethanol attached to it, and letting them know this could be very hazardous to a human health. He is attempting to do a demonstration on Dolphin Island, on the tar balls tomorrow. His direct number is 225 921 9735 and his name is David Fakouri. As always if you have any questions call me at 214 783 6992, and I appreciate you sending me this information. If there is any more of this please let me know.

Sincerely,

Steven Pedigo

From: mdhill@abc26.com To: oseicorp@msn.com CC: fhmillier@tribune.com Date: Mon, 10 May 2010 16:03:22 -