Halliburton To Plead Guilty In Gulf Oil Spill

Michael Kunzelman, Associated Press

NEW ORLEANS (AP) — A federal judge has scheduled a hearing on Sept. 19 for Halliburton [1]Energy Services to plead guilty to destroying evidence after BP's 2010 oil spill in the Gulf of Mexico.

The company was arraigned Wednesday in New Orleans on a misdemeanor charge. Although company attorneys entered a plea of not guilty during the arraignment, Halliburton has agreed to plead guilty to one count of destruction of evidence in a deal with the Justice Department.

Halliburton also has agreed to pay the statutory maximum fine of $200,000, be on probation for three years and to cooperate with the government's criminal investigation.

The deal is subject to the approval of U.S. District Judge Jane Triche Milazzo, who will preside over the September hearing.

Halliburton was BP's cement contractor on the drilling rig that exploded, triggering an explosion that killed 11 workers and spilled millions of gallons of oil into the Gulf.

Halliburton won't face any other criminal charges in connection with the case, though individual employees could still be charged. The Justice Department agreed not to prosecute the company for any other conduct related to the April 2010 blowout of BP's Macondo well. The explosion killed 11 workers aboard the Deepwater Horizon rig.

Halliburton also agreed to make a $55 million contribution to the National Fish and Wildlife Foundation, but the payment wasn't a condition of the plea deal.

The destruction of evidence involved a post-spill review of the cement job on BP's well.

Federal prosecutors said Halliburton's cement technology director in May 2010 directed a senior program manager to run computer simulations on centralizers, which are used to keep the casing centered in the wellbore.

The results indicated there was little difference between using six or 21 centralizers. The data could have supported BP's decision to use the lower number.

The cementing technology director allegedly instructed the program manager to delete the results. A different Halliburton employee also deleted data from a separate round of simulations that reached a similar conclusion, according to the Justice Department.

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