

AGREEMENT

AGREEMENT (this "Agreement") dated as of June __, 2010, by and between BP Exploration & Production Inc ("BP") and the State of Florida (the "State").

RECITALS

A. The State has incurred and will continue to incur costs resulting from the explosion at the Deepwater Horizon Oil Rig located in the Gulf of Mexico and the resulting oil spill (the "Event").

B. BP desires to assist the State by providing \$25,000,000 (the "Payment") to the State for use as provided herein.

NOW, THEREFORE, BP and the State hereby agree as follows:

1. Payment. Promptly after the execution and delivery of this Agreement, BP shall provide the Payment to the State by wire transfer of such amount to the Designated State Agency (as defined below). The Payment shall be irrevocable and nonrefundable.

2. Use of the Payment. The Payment shall be used and disbursed by the Designated State Agency to pay for or otherwise cover the State's costs for preparedness and response related to the Event. The Designated State Agency shall have full discretion to determine the appropriate use of the Payment for such purpose and shall keep reasonably detailed records of how the Payment has been used and disbursed. The State shall send BP a report of disbursements of the Payment on an annual basis until the Payment has been fully spent. In addition, BP shall have reasonable access to the State's disbursement records and shall have the ability to make inquiries to the Designated State Agency from time to time to monitor the use and disbursement of the Payment. BP agrees that it will not seek to apply the Payment, or any portion thereof, as an offset against any Damages allowed under the Oil Pollution Act, 33 U.S.C. 2702(b)(2) ("OPA") and any other applicable law. These funds are provided in addition to and irrespective of BP's obligations under the OPA or any other applicable state or federal law. The State agrees that it shall not seek payment from the OPA or any similar federal fund for the same costs paid from the \$25 million Payment. The offer and acceptance of these funds does not represent the compromise or settlement of a claim or claims under the Oil Pollution Act or any other state or federal law. The parties further agree that the payment and disbursement of the Payment will be in compliance with all applicable state laws and regulations.

3. Designated State Agency. As used herein, the "Designated State Agency" is the Florida Division of Emergency Management, the state agency that receives and administers grants and assistance from the Federal Emergency Management Agency.

4. Nature of Funds. The Payment shall in no way affect, modify, alter, hinder or forestall any claims that the State may have against BP or others. These funds are provided in

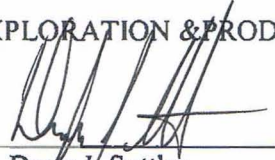
addition to and irrespective of BP's obligations under the Oil Pollution Act of 1990 or any other applicable state or federal law.

5. Miscellaneous. This Agreement contains the entire understanding of the parties with regard to the subject matter contained herein. The parties hereto, by mutual agreement in writing, may amend, modify or supplement this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be considered an original counterpart, and shall become effective when both parties have executed one counterpart. This Agreement shall not constitute an admission of liability or fact by any party. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the undersigned parties have executed and delivered this Agreement as of the date first written above.


BP EXPLORATION & PRODUCTION INC

By:


Doug J. Suttles
Chief Operating Officer

STATE OF FLORIDA

By:


Charlie Crist
Governor