Halliburton pleads guilty to charges stemming from BP oil spill

Tom Hall
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Oil services company Halliburton pled guilty Thursday to federal charges of destroying evidence in the aftermath of the 2010 BP oil spill, agreeing to a paltry $200,000 fine and a three-year probation period.

This is the maximum statutory fine associated with the charge of "intentionally causing damage without authorization to a protected computer," a misdemeanor. Meanwhile, felony proceedings on charges of tampering with evidence began against the former Halliburton manager, Anthony Badalamenti, who ordered the cover-up. If convicted, Badalamenti faces fines and up to 20 years in prison.

The 2010 oil spill, which stemmed from a fire on the Deepwater Horizon oil rig resulting in 11 deaths, lasted for months and led to around 5 million barrels of oil being released into the Gulf of Mexico over a surface area of as much as 68,000 square miles. The most serious environmental catastrophe in American history, the effects are still being felt along the Gulf Coast, compounded by a cleanup effort concerned more with protecting the profits and public image of BP than making the residents of the area whole.

Halliburton's own involvement stems from its contract work on the Deepwater Horizon rig, where it provided cementing services. Those services included plugs called "centralizers," which keep the drill pipe centered in the well as cement is poured. Halliburton recommended that BP use 21 centralizers; BP ended up using only 6. Halliburton later alleged that the well would have been more stable had BP used 21.

After oil began pouring into the Gulf, Badalamenti ordered computer simulations to be run comparing the performance of the rig with 21 centralizers as opposed to 6, first in May, then in June of that year. Badalementi, according to prosecutors, later ordered both simulations deleted from the computers. BP has alleged that faulty cement work by Halliburton contributed to the disaster, and that the deleted simulations would have demonstrated those errors.

When the details of the plea deal were unveiled in late July, they drew the ire of public officials. Senator John McCain, ranking Republican on the Senate Permanent Committee on Investigations, sent a letter to Attorney General Eric Holder in which he argued, "I worry that such paltry fines fail to discourage defendants from destroying evidence," and that, "If the fines do not adequately deter companies, they may begin routinely destroying unfavorable evidence as an acceptable cost of doing business." Garret Graves, chairman of Louisiana's Coastal Protection and Restoration Authority, also complained about the plea deal.

Judge Jane Milazzo agreed to the misdemeanor plea in Halliburton's case because, according to the *New Orleans Times-Picayune*, "Halliburton self-reported it, the company tried to recover the data, and it lacks a history of similar actions."

As a matter of fact, Halliburton's history, particularly over the past 20 years, is steeped in corruption. As far back as 1991, then-defense secretary Dick Cheney spent $8.5 million on a Halliburton subsidiary to explore the use of military contracting. When Cheney became CEO in 1995, he presided over an orgy of profiteering, providing through Halliburton subsidiaries everything from laundry to kitchen services for the US military. When Cheney re-entered the executive branch under the George W. Bush administration, Halliburton and its then-subsidiary, Kellogg Brown & Root, made tens of billions of dollars off of the rape of Iraq.

In 2010, the same year as the oil spill, charges against Halliburton and KBR emerged from Nigeria, which alleged that they had spent nearly $200 million in

bribes in order to secure $6 billion in contracts. Halliburton eventually agreed to pay a paltry $32.5 million fine.