Monday June 21, 2010 By Ernest Scheyder
BURAS, La. (Reuters) - BP Plc estimates that a worst-case scenario rate for the Gulf of Mexico oil spill could be about 100,000 barrels of oil per day, according to an internal company document released by a senior U.S. congressional Democrat. Its estimate of up to 100,000 barrels (4.2 million gallons/15.9 million liters) of oil per day is far higher than the current U.S. government estimate of up to 60,000 barrels (2.5 million gallons/9.5 million liters) gushing daily from the ruptured offshore well.   As the worst spill in U.S. history enters its 63rd day on Monday, New Orleans Mayor Mitch Landrieu is taking mayors from 17 U.S. cities to visit the slick-damaged Mississippi Delta, where oil has coated fragile marshlands, tarred wildlife and decimated fisheries. A BP spokesman, Toby Odone, said the document containing the flow estimate appeared to be genuine but the worst-case scenario applied only to a situation in which a key piece of equipment called a blowout preventer is removed. "Since there are no plans to remove the blowout preventer, the number is irrelevant," he said. The British energy giant is still struggling to plug the leak that began on April 20 with disastrous environmental and economic consequences along the U.S. Gulf Coast. It is planning to raise $50 billion to cover the cost of the spill, London's Sunday Times reported. Now in its third month, the crisis has dealt a blow to fishing and tourism industries across four Gulf states, ravaged BP's share price and placed President Barack Obama's leadership under scrutiny before November's congressional elections. Insider TV http://link.reuters.com/cet72m Graphics http://graphics.thomsonreuters.com/10/GulfOilSpill.html The amount of oil spurting from the well has been a matter of considerable controversy in the past two months, with critics saying BP consistently understated the flow rate. The internal BP document, which is undated, was released by U.S. Representative Ed Markey, chairman of a subcommittee of the House Energy and Commerce Committee. Odone said BP had not underestimated the discharge. He added that the firm had said all along it would "would deal with whatever volume of oil was being spilled." RAISING MONEY London's Sunday Times said BP planned to raise $10 billion from a bond sale, $20 billion from banks and $20 billion from asset sales over the next two years to cover the cost of the spill. BP announced last week it would suspend dividends to its shareholders and raise the pace of asset sales to $10 billion this year to offset liabilities from the spill, which began after an explosion on an offshore rig that killed 11 workers. The Financial Times reported BP is considering doubling the $10 billion asset sale program as part of a push to strengthen the company's liquidity as it comes under financial pressure. Despite BP's containment systems, a large amount of oil continues to leak into the sea from the ruptured well a mile (1.6 km) below the ocean surface. Hardest hit by the slicks is the Mississippi Delta in southern Louisiana, which Landrieu plans to tour with mayors on Monday. "It's just a tragedy what's going on down there," Landrieu told Reuters. "The country misses that this is really about them rather than just the people of Louisiana." Kenneth Feinberg, the independent administrator appointed to run the $20 billion fund set up by BP to compensate victims for

financial losses due to the oil spill, said he would make sure that "every eligible, legitimate claim is paid and paid quickly." Appearing on NBC's "Meet the Press," Feinberg rejected the complaint of a Republican congressman, Joe Barton, who had called the fund a government "shakedown." "I don't think it helps to politicize this program," said Feinberg, an arbitration lawyer who dispensed hundreds of millions of dollars to victims of the Sept. 11, 2001 attacks. But the White House made clear it would use Barton's remarks to hammer Republicans before the November elections. "The Republican Party, sees the aggrieved party as BP ... not the fishermen and the communities down there affected," Rahm Emanuel, Obama's chief of staff, told ABC's "This Week. "And I think what Joe Barton did is remind the American people, in case they've forgotten, this is how the Republicans would govern." Despite assurances of swift compensation, Louisiana Gulf residents remained skeptical. "Every time they say there's a fund for fisherman, we wait years and years," said Tal Plork, whose fisherman husband, Phan, faced long waits for aid after two hurricanes rampaged across the Gulf region in 2008. "It was like that for Gustav and Ike. Hopefully now they will go faster." Plork, 42, has had to go to work since the oil leak began because her husband's fishing income has dried up. She works at a cafeteria at the BP camp in Venice, Louisiana, and has been supporting her five children mainly on credit cards. (Additional reporting by Thomas Ferraro and Will Dunham in Washington, Michael Erman and Martinne Geller in New York, Bruce Nichols in Houston and Victoria Bryan in London; Writing by Tim Gaynor, editing by Chris Wilson) Copyright © 2010 Reuters Source: http://thestar.com.my/news/story.asp?file=/2010/6/21/worldupdates/2010-06-21T111809Z_01_NOOTR_RTRMDNC_0_-494845-1&sec=Worldupdates