



BP is warning Congress that if lawmakers pass legislation that bars the company from getting new offshore drilling permits, it may not have the money to pay for all the damages caused by its oil spill in the Gulf of Mexico.

The company says a ban would also imperil the ambitious Gulf Coast restoration efforts that officials want the company to voluntarily support.

BP executives insist that they have not backed away from their commitment to the White House to set aside \$20 billion in an escrow fund over the next four years to pay damage claims and government penalties stemming from the April 20 explosion of the Deepwater Horizon drilling rig. The explosion killed 11 workers and spewed millions of barrels of oil into the gulf.

The company has also agreed to contribute \$100 million to a foundation to support rig workers who have lost their jobs because of the administration's deepwater drilling moratorium. And it pledged \$500 million for a 10-year research program to study the impact of the spill.

But as state and federal officials, individuals and businesses continue to seek additional funds beyond the minimum fines and compensation that BP must pay under the law, the company has signaled its reluctance to cooperate unless it can continue to operate in the Gulf of Mexico. The gulf accounts for 11 percent of its global production.

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