Part 6
RODNEY SIDLE

group guidelines concerning the booking of proved reserves?

A. I don't recall for the period in which I was actually on the committee whether that occurred. The committee reorganized in 2004 such that I was an invitee to the committee, but I was not a member of the committee. And during that period, when I was an invitee, I do recall that discussions about changes to the guideline document were made.

Q. Those discussions, did they occur subsequent to Project Rockford?

A. Yes, they did.

Q. Did the reserves committee, while you were a member, interact directly with the OUs within the group?

A. Yes. Yes, they did.

Q. Just so I can get a sense of it. Was it the OUs that came to the committee with specific questions concerning whether to book proved reserves?

MR. SMITH: Objection to form.

A. I'm not certain I can say they came directly to the committee. There was a chain of
communication within the line organization of Shell E&P that ultimately got questions raised to higher levels, and when it got to a level that caused the committee to need to be engaged, they were. Now, whether that came directly to the committee or up through the coordinator, John Pay, or other means, I just don't know.

Q. Thank you.

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(Sidle Exhibit 16, document, four pages, was marked for identification.)

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BY MR. MacFALL:

Q. Mr. Sidle, you've just been handed a document that's been marked for identification as Sidle Exhibit 16. I would ask you to take a look at that document, sir.

I would note for the record that there is no indication of the author or recipient, as far as I can tell, on the document, but I would ask, after you've had an opportunity to review it, if you can tell me if you've ever seen it before.

(Witness reviewing document.)
RODNEY SIDLE

MR. SMITH: While he's reviewing the document, I would just note for the record that the document has no Bates number, or anything on it to indicate what its origin is. Not even one of those numbers that you see attached to e-mails sometimes.

MR. MacFALL: You are correct. I am fairly confident that the document was reproduced from your production. We can substitute a document with a proper identifier number, if we can locate one.

If Mr. Sidle does not recall the document in any event, then it may be a moot point, and we'll just move along.

MR. SMITH: I just wanted the record to reflect it.

A. Yeah, I've never seen this before.

Q. That's fine. You can put that side, then.

Let me ask, separate and apart from the document itself, to the extent that there are certain entities identified in the document, let me just ask you if there are entities that you're familiar with, or organizations you're
RODNEY SIDLE

familiar with.

Do you know what GDWS is?

A. I've never seen that before.

Q. Okay. How about SOI?

A. SOI -- the SOI reference, I'm aware of, whether that's what they mean here or not, is Shell Offshore Inc., which is one of the subsidiaries of Shell Oil Company that dealt in the offshore portions of the Gulf of Mexico.

Q. So that was part of SEPCO?

A. Yes. It was part of SEPCO.

Q. There is a reference in the document to something called SDW-WDU. And that appears at the third page of the document. Do you know what that acronym stands for, sir?

A. No, I don't.

Q. That's fine. You can put that document aside. Thank you, Mr. Sidle.

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(Sidle Exhibit 17, e-mail with attachment, Shell Visit Programme - DPR Staff, four pages, was marked for identification.)

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BY MR. MacFALL:

Q. Mr. Sidle, you've just been handed a document marked as Sidle Exhibit 17 for identification. I would ask you to take a look at this document, sir, and tell me if you recognize it.

(Witness reviewing document.)

A. I've reviewed the document. I do recall it. Yes.

Q. For the record, the document is an e-mail, the most recent of which is dated July 28, 1999 from Mark Varner to several individuals, including yourself. The subject is Meeting with Nigerian visitors - July 29 & 30 - 1154 BTC.

Do you actually recall the visit by the Nigerian officials that's referenced in this document, sir?

A. Yes, I do.

Q. That visit involved an official of the Nigerian government. Correct?

A. Yes, it did.

Q. Specifically a Mr. Ogunjana of the Department of Petroleum Resources?
RODNEY SIDLE

A. Yes.

Q. Did you have a role in the visit by the Nigerian officials to SEPCO?

A. Yes, I did.

Q. Okay. Could you please describe that for me?

A. If you look at the last page of Exhibit 17 you'll see an agenda. That agenda highlights the fact that I spoke to them on two different topics on the two days that they were in Houston, one that had to do about the Shell Oil Company, SEPCO, reserve reporting practices, and then on the next day about value assurance reviews.

Q. Do you know what the purpose of that visit was?

A. Yes. It was intended to showcase Shell's technologies that, in this particular case, were available for determination of reserves.

Q. That showcase involved -- withdrawn.

That showcase took place in Houston. Correct?

A. Well, there were multiple meetings.
RODNEY SIDLE

The portion of it that was Houston is summarized
on that page that I pointed out as the agenda,
that's the last page of this document.

Q. Now, with respect to the
presentation that you gave, the first
presentation, it says introduction to SOC
reserve management and reporting practices. And
I believe the SOC, is that Shell Oil Company?

A. That is Shell Oil Company.

Q. Do you recall why the visitors from
Nigeria were provided with a presentation
regarding the Shell Oil Company reserve
reporting practices?

A. The only knowledge that I had was
that it related to the intended showcasing of
technologies and to tie that to what were the
Shell Oil Company, SEPCO, reporting practices,
and then make the link between technologies and
the support of processes within the SEPCO
reserve reporting activities that linked to the
use of those technologies.

Q. Were you familiar with the proved
reserves reporting practices in use in Nigeria
during 1999?
RODNEY SIDLE

A. No.

Q. Do you recall if during your presentation there was any discussion of -- withdrawn.

To the best of your knowledge, did Shell's Nigerian operations report proved reserves pursuant to the group guidelines?

MR. SMITH: Objection to form.

Q. You can answer.

A. I had no knowledge of their practices.

Q. Was there any indication given to the Nigerian officials that the Shell Oil practices were done pursuant to the SEPCO guidelines?

A. Could you ask the question again, please?

Q. I'll rephrase it. Do you recall if you distinguished between the group and SEPCO guidelines during your presentation?

A. No, I don't.

Q. Could you, very generally, summarize for me what it was that you said during your presentation?
RODNEY SIDLE

A. We focused on practices, reporting practices, and the link to technologies. So as an example, we would point to a technology of being able to make subsurface measurements that would aid in the determination of the presence, or the amount of oil and gas that were there, and then link that to the activities we had to make a reserve determination, review the data, do the reporting, the databases, and all of that sort of thing. That refers to the first presentation that I had.

Q. Now, with regard to the second presentation, which according to the agenda took place the following day.

A. Mm-hmm.

Q. The topic was value assurance reviews. Do you recall -- again -- withdrawn. Can you generally summarize the substance of the presentation that you made at that time, if you can recall?

A. I don't actually remember much of the details about that. It was a very short presentation. I think it was simply touching on the fact that SEPCO used value assurance
RODNEY SIDLE

reviews.

Q. Now, with respect to the technology

that was showcased in connection with the

reporting of reserves, were such technologies in

use at other OUs, and by other, I mean non-SEPCO

OUs?

MR. SMITH: Objection to the form

and foundation.

A. I don't remember exactly what

technologies were reviewed with the visitors at

that time, and I didn't know at that time what

technologies were used elsewhere within the

group outside of SEPCO either.

Q. Separate and apart from these two

presentations, did you accompany the visitors

from Nigeria on any portion of their visit in

Houston?

A. There is a -- I'm sorry?

Q. In Houston.

A. In Houston?

Q. Yes.

A. Yeah, we went to lunch at a Texas

barbecue, and they really enjoyed it.

Q. If I could ask you to turn to the
next-to-last page in that document. At the
bottom of the page appears a chart under the
caption Timing and Program. And if you look at
the third entry from the bottom, it says
29-30/July 1999 Shell Oil, there are two
subjects listed. "Mature/end-game assets."
The second is "Reporting to
Regulators: Challenges."

Do you recall if you attended any
presentation besides those that you gave,
touching on the second bullet point?

A. No, I don't recall attending
anything that touched on that.

Q. How about with regard to the first
bullet point; do you recall attending any
presentations that addressed mature/end-game
assets?

A. No, I don't.

Q. If I could ask you, sir, to turn to
the prior page in that document. It's an
outline of the travel schedule for the 29th and
30th of July. It shows technical discussions in
SEPCO, and that is the fifth entry from the
bottom of the page.
RODNEY SIDLE

Then it references a free --
Houston, New Orleans, and a free day in New
Orleans.
Beneath that for August 2nd and 3rd,
1999 there's an entry for "Technical Discussions
in Shell Deep Water."
Did you participate in that portion
of their visit?
A. No I did not.
Q. I'm sorry. I realize we're going
backwards, but if you could turn to the prior
page. About halfway down the page is a caption
Visit Themes. Do you see that, sir?
A. I see it.
Q. The second-to-last bullet point
under that caption states, "The Shell Group is
not more optimistic than the competition on the
reserves assessment (we appear to be more
conservative than the competition.)"
Do you recall any presentations
which conveyed this theme to the visitors from
Nigeria?
A. No, I do not.
Q. Did any portion of the
RODNEY SIDLE

presentation -- withdrawn.

Did any portion of the visit in

which you were involved concern a discussion of

the group's reporting of reserves versus

SEPCO's?

A. I don't recall that topic at all.

Q. Thank you.

MR. SMITH: Can I just observe for

the record that this flight from Aberdeen

to Houston that's on this agenda is the

most atrocious booking I've ever seen.

Aberdeen to London to Zurich to Atlanta to

Houston? I mean were they alive when they

got there? Unbelievable. Sorry.

MR. MacFALL: That's quite all

right.

MR. SMITH: I know levity has no

place in a deposition, but still --

THE WITNESS: They really did enjoy

the barbecue. Really.

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(Sidle Exhibit 18, e-mails, two

pages, Bates number SMJ00040769 through

SMJ00040770, was marked for identification.)
RODNEY SIDLE

BY MR. MacFALL:

Q. Mr. Sidle, you've just been handed a
document marked as Sidle Exhibit 18 for
identification. I would ask you to take a look
at that, sir, and tell me if you recognize it.

(Witness reviewing document.)

A. I've reviewed it.

Q. Do you recall this document, sir?

A. Yes, I do.

Q. For the record, the document is an
e-mail from Alan Lockwood to Ian Hines, Derek
Newberry and Jerome Coggins dated November 3,
2000. The subject is Reserve Booking Meeting
with Anton Barendregt. The document
specifically discusses a meeting that occurred
in connection with possible reserves bookings
for Angola Block 18.

Do you recall attending that
meeting, sir, which according to the e-mail
occurred on November 3, 2000?

A. Yes.

Q. The e-mail indicates that, in
addition to Mr. Barendregt and Mr. Lockwood,
RODNEY SIDLE

there are, including yourself, several other attendees.

Going down the list, the first one is Ian Hines. Could you please identify that individual for me?

A. I believe Ian was one of the projects leads that worked on Angola.

Q. Did Mr. Hines work for SDS, do you know? At that time.

A. I don't know what Shell organization he worked for.

Q. Did Mr. Hines work out of Houston?

A. Hm-mm.

(Pause.) I believe so, but I'm not entirely sure.

Q. How about Mr. Newberry?

A. Derek also worked on the Angola project.

Q. Do you recall what organization he worked for at that time?

A. Shell has so many organizations, I -- I don't know exactly who he worked for.

Q. Okay. Again, do you recall if he worked out of Houston?
Rodney Sidle

A. Yeah, I believe Derek did work out of Houston.

Q. How about Mr. Coggins?

A. I don't recall his position.

Q. Do you recall if he worked out of Houston?

A. No, I don't.

Q. And finally, Mr. Knight?

A. Barry. Yes. He -- I believe he was in Shell Deepwater Services, and he -- let's see. I don't know if he worked in Houston or New Orleans, but it was in the US.

Q. Okay. Thank you. The body of the e-mail talks about the events at the meeting, and it specifically references analog work prepared by Dave Powell. Do you know Mr. Powell?

A. No, I don't.

Q. It then goes on to state that that work is the basis for the team's range in recovery efficiency and ultimate recovery per well.

Did you have an opportunity to actually review the analog work done by
MR. POWELL?

A. I saw what was presented at this meeting. I don't recall review other than that.

Q. Do you recall what materials were presented at this meeting? And I do realize it's a while ago.

A. No, I don't.

Q. Okay. The e-mail then references discussion that took place regarding the maturity of the technical work. Do you have any recollection of that discussion, sir?

A. Basically my recollection is as noted here, that what was shown to this group at that time was not technically mature, however, some suggestions for work that could be done that then would need further review were offered to see if something that would qualify as technically mature could be generated.

Q. And were those discussions about the possibility of doing work to book some portion of the volumes at Angola, as opposed to the entirety of what was being proposed to be booked?

MR. SMITH: Objection to form.
RODNEY SIDLE

Q. Would you like me to rephrase that? Do you understand the question?

A. Why don't you rephrase it, please.

Q. Okay. There's a reference in the second page of the document to the project being "cherry picked."

A. Mm-hmm.

Q. Or being a cherry-picked development. Did that mean that what was being discussed here was development of a portion of the volume at Angola Block 18 for purposes of booking proved reserves?

MR. SMITH: Objection to form.

A. The -- the reference to "cherry-picked" development was indeed to -- a reference to development of -- a plan of development for only a smaller portion than the entirety, but that portion in which there was high confidence, the most data and the most maturity, in terms of technical work.

Q. Was there a specific quantity of volume that was discussed in connection with the cherry-picked development?

A. There may have been, but I don't
RODNEY SIDLE

recall what it was.

Q. Do you recall if there was any discussion of pressure to book reserves at Angola Block 18 at this meeting?

MR. SMITH: Objection to form.

A. I don't recall that that was discussed at this meeting. I don't recall.

Q. Do you recall if that was ever discussed?

MR. SMITH: Objection to form.

A. Within what time frame?


A. '99, 2000. It may have been in 2000. I do recall a general reference to the fact that there's interest in booking reserves at Angola Block 18 being made. I don't remember the exact timing that I heard that comment made.

Q. Do you recall from whom you heard that comment?

A. No, I don't.

Q. Was there any indication of who it was that was expressing that interest?

A. I don't recall.

Q. Do you remember the context in which
RODNEY SIDLE

you heard that comment? Let me rephrase that.

Do you recall if you heard that

comment in the context of attempting to find

reserves at Angola Block 18 to be booked as

proved?

MR. SMITH: Objection to form.

A. I don't recall exactly the context

of the comment, because there were things said

during the presentations, there were things said

at side conversations during breaks. I remember

the comment being made, and I heard it. So I

don't remember much more than that.

Q. Okay. Do you recall if the

technical work for Angola Block 18 was performed

by SDS?

A. I know there was some SDS staff that

contributed to it, because there were some that

were present at this meeting. But again, which

Shell subsidiary Shell people worked for, for

purposes of the meeting, I just wanted to see a

technical story. I didn't care what

organization they were with. I don't know

exactly how much was SDS, or how much or how little.
Q. Was Angola Block 18 a deepwater project?

A. Yes, it was.

Q. Do you recall if in or about November of 2000 there were any Shell organizations besides SDS that had expertise in deepwater development?

A. There were a variety of Shell technology organizations that would have supported the technologies needed to be used to explore for, analyze, drill wells. Development is not just one thing. It's part of an entire process. So I don't remember specifically if there were technology organizations focused on development. I know there were other technology organizations that covered the broad spectrum of technologies you would use to analyze a new discovery and determine what it might produce.

Q. Could you identify some of those organizations for me, please?

A. Yeah. The technology organization like SEPTAR and its counterpart in Rijswijk had a variety of technical services that they provided around drilling optimization and
RODNEY SIDLE

reservoir simulation used, and a variety of just
basic engineering and scientific tools and
analyses, all of which formed the toolkit, if
you will, that the people needing to appraise
things like an Angola Block 18, or any other new
discovery, would use.

Q. Would it then be -- withdrawn.

You said that they provided the
toolkit. Would application of those tools to a
specific project then fall to some organization,
besides SEPTAR, and its counterpart in Rijswijk?

A. Yes, it could. Yes.

Q. Were you aware if the Shell
organization in Angola had the technical
expertise to develop or to create a development
plan with respect to Angola Block 18?

A. I had no idea what the Shell Angola
team -- what its composition or its expertise
was.

Q. Okay. Thank you.

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(Sidle Exhibit 19, packet of
documents, Bates number RJW01000797 through
RJW01000801, was marked for identification.)
RODNEY SIDLE

BY MR. MacFALL:

Q. Mr. Sidle, you've just been handed a
document marked as Sidle Exhibit 19 for
identification. I would ask you to take a look
at it, sir, and tell me if you recognize it.

(Witness reviewing document.)

A. All right. I've looked at this
collection of documents.

Q. Do you recognize these documents?

A. I'm sorry?

Q. Do you recognize them, sir?

A. Some of them I do. Some of them
I've never seen before.

Q. Okay.

A. It's a collection of things that are
disassociated and have simply been collected
from a variety of things related to Block 18.

Q. Turning to the first page, the
handwritten notation. It says RD/S Angola.

A. Mm-hmm.

Q. Do you know whose handwriting that
is?

A. No, I don't.
RODNEY SIDLE

Q. Do you know what RD/S refers to?
A. I believe that stands for Royal Dutch/Shell.

Q. Turning to the second page of the document, there are two e-mails that appear on that page. Do you recognize that e-mail string?
A. Yes. The ones where I've participated in the e-mails, I do recognize those.

Q. Okay. Why don't we focus our attention on those.

The first of the two e-mails appearing on that page is from Mr. Barendregt to you dated November 21, 2000. It says Subject: re: Comments on Draft Report and Att3.

Mr. Barendregt, in the first paragraph, thanks you for comments received so far.

Let me ask you: Is the draft that Mr. Barendregt is referring to the document that begins following that next page, which is captioned Angola Block 18 - Initial Reserves Booking, 1/1/2001?
A. I'm not entirely sure, because the document there is dated the 17th of January,
2001, and the note that was sent to me was on
November 2000. So it's possible it could have
been an earlier draft, or it may mean something
else. I just don't know.

Q. Do you recall if the document,
whether this version or not, that appears in
this exhibit, that Mr. Barendregt is referencing
was in fact some draft of the Angola Block 18
initial reserves booking?

A. Since the exchange of e-mails
relates to Angola, I think it's likely that it
did.

Q. Do you have a specific recollection
one way or the other?

A. I -- obviously I received these
documents. Exactly what was attached to them, I
don't remember.

Q. Okay. Thank you.

Directing your attention to the
second paragraph in that e-mail, Mr. Barendregt
references a possible reserves review on Angola
in December in Houston.

Do you recall if such a review took
place?
RODNEY SIDLE

A. Yes, I believe it did.

Q. Did Mr. Aalbers attend that review?

A. I believe Anton and Remco attended that meeting. Yes.

Q. Did you attend that meeting?

A. No, I did not.

Q. Do you know why that reserves review occurred in Houston?

A. I believe it was to look at the work of the Angola team, which had the data and network in Houston.

Q. The last sentence in that paragraph reads: "Seems they're under pressure from high up to book something ..." followed by an ellipse, which is what you had indicated you had heard before. Do you recall if this was the first time you had heard that in this e-mail, or do you recall if you had heard it previously?

A. I don't recall. As I said, I remember the comment being made. I didn't remember exactly when or in what context.

Q. You responded on that same date in the e-mail that appears above Mr. Barendregt's e-mail, and you wrote -- my copy is, I believe,