

Part 3

1 WALTER VAN DE VIJVER

2 foundation.

3 THE WITNESS: No, but that would
4 be very logical.

5 BY MR. HABER:

6 Q. Now, again, looking again at
7 Exhibit 38. The sentence that we were talking
8 about, "you well know that." Are you with me?

9 A. Yes.

10 Q. If you continue, and I'm going to
11 pick up where it says and, "and need far more
12 answers before coming to a recommendation (given
13 the group impact this needs formal signoff by
14 CMD, GAC, et cetera)."

15 Now you had mentioned the Group
16 Audit Committee earlier and Group Finance?

17 A. Yes.

18 Q. Did you understand also when you
19 wrote this that the CMD also needed to approve
20 any debooking or restatement?

21 MR. TUTTLE: Objection to the
22 form, mischaracterization of prior testimony.

23 THE WITNESS: Anything that
24 involves external disclosures also needs to be
25 approved by the CMD.

1 WALTER VAN DE VIJVER

2 BY MR. HABER:

3 Q. So I just want to be clear. So
4 it's not the debooking in and of itself, it's
5 the debooking that may require an external
6 disclosure that would need the approval of these
7 various bodies?

8 A. Yes. Yes. It's a materiality
9 issue that we discussed earlier.

10 Q. Okay. The last sentence you say,
11 "I've been absolute clear on this at numerous
12 occasions."

13 Were you expressing frustration
14 with Mr. Coopman?

15 A. Frank and I ever now and then had
16 a few disagreements relating to his "Frank the
17 tank" approach that sometimes he would get a
18 little bit unbalanced and not involve all the
19 right people in the decision-making. And I
20 thought I had made it clear, for instance, on
21 the meeting the 27th of November that he needed
22 to talk to Judy Boynton and needed to involve
23 all the right people.

24 And at least at that stage,
25 without knowing any of the detail of what he had

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2 done or not had done, the Judy Boynton story
3 clearly said that he had not done it.

4 Q. Now, if you look at the first
5 sentence of your e-mail you say, "This is
6 absolute dynamite, not at all what I expected,
7 and needs to be destroyed!"

8 Were you in directing Mr. Coopman
9 to destroy the document?

10 A. No. That's obviously not very
11 good use of words. I never wanted anyone to
12 destroy anything.

13 What I meant to say is that the
14 work was incomplete and it needed to be
15 improved.

16 And that's what I said happened
17 the following morning as soon as I got back when
18 we sat together with the whole team and we
19 exactly planned out who was going to do what and
20 how we were going to get a quality note prepared
21 for the CMD the following week.

22 Q. Do you know if Mr. Coopman removed
23 the -- withdrawn.

24 Do you know if Mr. Coopman in fact
25 destroyed his copy of the script?

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2 A. No, he did not.

3 Q. When you say this is absolute
4 dynamite, what did you mean?

5 A. This sort of refers back to the
6 communication with Boynton about something that
7 is so material and so significant you get a note
8 that sort of says press the button and we go
9 outside to the market, which would be beyond my
10 authority. That's what I meant by dynamite.

11 Q. Okay. Now you said that the next
12 day, December 3rd, you had a meeting?

13 A. Yes.

14 Q. Who attended the meeting?

15 A. That was a meeting in my office
16 that was attended by Frank Coopman, Curtis
17 Frasier, John Darley. I don't know the whole
18 list of names.

19 I know that Nicola Gordon made
20 minutes of that meeting and distributed it
21 because it was the allocation of who was going
22 to do what piece of the note to the CMD. There
23 was going to be a technical part and there was
24 going to be a part that would deal with the
25 legal and financial side of that note.

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2 Q. Was that the only purpose of the
3 meeting?

4 A. Yes. The purpose was to get
5 quality notes with all the right facts and data
6 to deliver to the CMD as quickly as possible.

7 Q. Did -- was the discussion largely
8 technical?

9 A. Well, it was technical but it
10 identified that there needed to be a technical
11 piece to the note, that there needed to be a
12 financial legal part to the note.

13 Q. Who was responsible for the
14 financial part of the note?

15 MR. TUTTLE: Objection,
16 mischaracterization of prior testimony.

17 THE WITNESS: Frank Coopman.

18 MR. FERRARA: Sorry. I think
19 while some of the room may find the objections
20 to be small barriers on the way to progress, we
21 really need to get the objections on the record
22 before the answer comes up. You're welcome to
23 continue to answer to the questions, but let's
24 get the objection on and not have it interrupted
25 so it's on the record, please.

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2 BY MR. HABER:

3 Q. Now, in your answer before you
4 said in response to my question of whether the
5 discussion was largely technical you said it was
6 technical, but it was identified that there
7 needed to be a technical piece to the note, that
8 there needed to be a financial, legal part to
9 the note.

10 Did you understand financial,
11 legal part to be separate parts?

12 A. Yes.

13 Q. So the financial part was the
14 responsibility of Mr. Coopman?

15 A. Yes.

16 Q. Who was responsible for the legal
17 part?

18 A. He would do that jointly with
19 Curtis Frasier, who had a dotted reporting line
20 into himself, as well as to me.

21 Q. When you say "he" are you
22 referring to Mr. Coopman?

23 A. Yes, sorry.

24 Q. Why was there a need to draft a
25 note?

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2 A. To get all the facts on the table.

3 I mean this is part of the process I had been
4 following for a long time with my hunch and
5 instinct that things were not right and
6 ultimately you need to get the facts on the
7 table to make a fact-based decision on what to
8 do.

9 Q. And this note was to be presented
10 to the CMD?

11 A. Yes.

12 Q. Was there a particular scheduled
13 meeting of the CMD that you were planning this
14 note to be presented at?

15 A. The following week, the 9th of
16 December.

17 Q. I believe a few moments ago you
18 said there was a meeting of the Conference on
19 December 3rd?

20 A. Yes.

21 Q. Did you have this meeting before
22 or after the meeting with the Conference?

23 A. Before, because I mentioned it was
24 very early in the morning, 7:30 in the morning.

25 Q. Where did the Conference meet that

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2 day?

3 A. In The Hague.

4 Q. Was there any discussion in the
5 Conference meeting about the reserves issues?

6 A. No.

7 Q. Do you recall if Ms. Boynton was
8 in attendance at the Conference meeting?

9 A. Yes.

10 Q. Do you recall having any
11 discussions with Ms. Boynton at the Conference
12 meeting about the script for Walter?

13 A. No.

14 Q. Did you have any discussions with
15 Ms. Boynton that day about the actions that were
16 decided would be taken in the meeting earlier in
17 the day?

18 A. No. I briefly met her the
19 following day in London on the 4th of December
20 where she advised me that there had been a
21 discussion at CMD in my absence and that it was
22 decided that for the CMD the coming week I would
23 only be responsible for writing the technical
24 piece and that she would look after the
25 financial, legal piece.

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2 Q. How did you react to that?

3 A. Surprised. But for me the only
4 thing was important to get it on the agenda. I
5 didn't really care how it was being done as long
6 as it would get on the agenda.

7 Q. When you say surprised, why were
8 you surprised?

9 A. I was surprised because I had
10 hoped by that time she would have talked to
11 Frank Coopman and there would be clarity on how
12 the work was going to be distributed.

13 Q. Did she explain to you why she was
14 going to be taking the lead on the financial
15 side?

16 A. No. She just mentioned that the
17 discussion had taken place at CMD the day before
18 and that was the recommendation and she was
19 going to -- after I briefly talked to her she
20 said she would issue a little note to clarify
21 that particular decision.

22 Q. Did you ever look at the minutes
23 of that CMD meeting to see what was discussed?

24 A. No, not that I recollect.

25 Q. Did you talk with Mr. Coopman

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2 about the decision that she gave -- that she
3 conveyed to you?

4 A. Yes. I mentioned it to him and
5 left the organization to figure out to get the
6 note, the quality note that at least we would do
7 together. And I assumed Coopman would work with
8 the staff and the staff in Judy's organization.

9 Q. What was Mr. Coopman's response?

10 A. He was, as you would expect from a
11 character like that, he was not very happy.

12 Q. What did he say?

13 A. He thought he was capable of doing
14 that, leading that piece and sharing it with
15 whoever relevant in the organization.

16 Q. Did you get the feeling he viewed
17 it as a challenge to his abilities?

18 A. No, not directly, but he was a bit
19 sensitive individual generally when these type
20 of things happened.

21 Q. Did you view the decision as a
22 challenge to Mr. Coopman's abilities?

23 A. A little bit, but I accepted -- I
24 had the organizational structure and authority.
25 I mean, at the end of the day Judy Boynton was

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2 more senior than Frank Coopman.

3 Q. Did you view it as a challenge to
4 you?

5 A. No, but maybe a little inclination
6 of a bit of mistrust whether I would be able to
7 do it all myself but, fair enough, she is the
8 CFO.

9 Q. I believe earlier you said this
10 meeting occurred in London. Why was it in
11 London?

12 A. I really don't know. I must have
13 had other engagements in London. I cannot
14 recollect.

15 Q. Did she ask to meet with you?

16 A. Yes, but I don't recollect how
17 that sort of happened. Maybe some e-mails. I
18 don't know.

19 (Van der Vijver Exhibit Number 39
20 was marked for identification.)

21 BY MR. HABER:

22 Q. We've just marked as Exhibit 39 an
23 e-mail string, three pages, the last of which is
24 from Mr. Van de Vijver. It's dated December 8,
25 2003 and it's to John Pay with a cc to Frank

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2 Coopman, John Darley, John Bell. The subject
3 line reads: Proved reserves part 1: Draft for
4 comment. The Bates number is V00010881 through
5 V00010883.

6 Have you seen these e-mails before
7 today?

8 A. Yes.

9 Q. If you could just generally tell
10 us the context in which these e-mails were
11 written?

12 A. This was trying to get the note
13 for CMD prepared that we talked about earlier
14 and, obviously, there was a lot of work so there
15 was a lot of backward and forward going to get
16 the document done. And you see here part of
17 the -- see the final top e-mail is some comments
18 that I had on the draft of that particular CMD
19 paper, very depressing, somewhere around
20 midnight when I looked at the note and gave some
21 comments before it was finalized for
22 distribution that same day.

23 Q. And if you look at the second
24 page, the last e-mail, the one on the bottom
25 from Mr. Pay to you, Ms. Boynton, Tim Morrison,

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2 with a cc to Frank Coopman, John Darley, and
3 John Bell, it's dated December 7, 2003?

4 A. Uh-huh.

5 Q. It appears as if this is the first
6 circulation of the draft note; is that correct?

7 A. Yes. That may be correct, yes.

8 Q. Do you recall if there was a prior
9 circulation?

10 A. I do not recollect.

11 Q. Okay. If you look about a third
12 of the way from the top in that first
13 paragraph --

14 A. Sure.

15 Q. -- where you write, "I still feel
16 uncomfortable." Do you see that?

17 A. Yes.

18 Q. The sentence reads, "I still feel
19 uncomfortable with the "increased tightening of
20 the SEC guidelines" as if the SEC is the reason
21 we have a problem today!" Why did you feel
22 uncomfortable with that?

23 A. This was part of my learning where
24 I had the feeling that there was too much
25 emphasis put to relate a lot of the issues we

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2 found to this clarification on the SEC rules
3 that came out somewhere in 2000 or 2001.

4 I recall also sending a note to
5 Rod Sidle to ask for his advice to try to
6 understanding was it basically the problem that
7 the Shell guidelines were wrong and had been
8 long wrong, we now sort of had the benefit of
9 hindsight for a long time, or was it indeed this
10 clarification in 2001 that caused it.

11 Is that answer clear? It may be a
12 little bit long-winded.

13 Q. And what did Mr. Sidle say in
14 response?

15 A. He said that he agreed with me,
16 that he did not believe the clarification was as
17 such the issue, it was the issue that Shell for
18 many years had done the incorrect, incomplete
19 interpretation of the strict SEC rules, because
20 the rules hadn't changed. There was a
21 clarification on the rules, but the rules for
22 the SEC had been like they were since 1976, if
23 I'm correct.

24 Q. The -- does the second sentence,
25 "The reality appears to be with us driving for

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2 Q. Were you comfortable with the
3 changes that had been made in the note?

4 A. Personally, no, but I accepted the
5 higher authority in the company to make those
6 changes.

7 Q. Now, you said the note changes
8 were made in the technical contents of the note?

9 A. No changes.

10 Q. No changes, right. So what parts
11 of the note were there changes in?

12 A. Changes that watered down the
13 conclusive nature of my note, which originally
14 stated that reserves were noncompliant.

15 There was a table and one of those
16 tables said the following reserves are
17 noncompliant.

18 And it got changed to are likely
19 to be considered as not compliant.

20 Q. Why were you uncomfortable with
21 that change?

22 A. Well, this is a personal
23 perspective. I mean, I thought these reserves
24 were noncompliant. I'm not the expert, I fully
25 recognized that, and that's the way it is.

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2 Q. Did you ever communicate your
3 feelings about the changes to anyone?

4 A. I do not recollect.

5 Q. Now, do you know if the note was
6 submitted in the same format to the other
7 members of the CMD, that is electronically?

8 A. Yes.

9 Q. And I believe you said that there
10 was a meeting of the CMD. Was there a meeting
11 on the same date, December 8th, or was there a
12 two-day meeting?

13 A. No. There was a -- as I said, it
14 was two days of CMD activities. The first day
15 was sort of an off-site type of day and the 9th
16 of December was the formal -- on the Tuesday,
17 the CMD meeting.

18 Q. And that would be Tuesday,
19 December 9th?

20 A. Yes.

21 Q. Before we get to the meeting I
22 want to talk about a couple of things in the
23 note itself.

24 If you turn to page 4.

25 If you look at the --

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2 A. The box.

3 Q. -- the box. Thank you.

4 In terms of bookings, and it shows
5 the time line and there's -- there's a booking,
6 and I understand it is hard to read, but I
7 believe the one I'm looking at has to do with
8 PDO and it says 00, which I take to mean the
9 year 2000. PDO books, and it looks like
10 358 million BOE. Do you see that?

11 A. Yes.

12 Q. During the time that your staff
13 was preparing this note and you were reviewing
14 the note had you seen any audit trail that
15 supported that booking?

16 A. No, not at that time.

17 Q. Did you ever ask anyone on your
18 staff if they had seen an audit trail that
19 supported that booking?

20 A. Yes. And during this period,
21 December, January -- so December 2003,
22 January 2004, I did get some documentation that
23 involved a letter from the Minister of Oil and
24 Gas that referred to that particular booking.

25 Q. Did you ever talk to Mr. Brass

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2 about the booking?

3 A. Not during my time at Shell.

4 MR. DOWD: That wasn't the
5 question. That wasn't the question.

6 Did you ever talk to Brass about
7 it? Answer the question.

8 THE WITNESS: Yes. Yes.

9 BY MR. HABER:

10 Q. And when did you speak to
11 Mr. Brass about it?

12 A. In -- somewhere in the second half
13 of March 2004 when I had -- at the time I had
14 left Shell, but I was visited during the weekend
15 by all The Hague based EP ExCom members.

16 Q. And what did Mr. Brass and you
17 talk about?

18 A. Brass, through the sort of chatter
19 we were having at that time, which you can
20 imagine was quite an emotional get together with
21 lots of beer, and Brass mentioned to me a
22 reference to a handshake.

23 Q. What did he say about a handshake?

24 A. It was a handshake from Phil Watts
25 to Remco Aalbers.

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2 Q. What was the significance of the
3 handshake?

4 A. That related to the booking on
5 Oman in early 2000.

6 Q. And is that the booking that's
7 reflected in the chart?

8 A. Yes.

9 Q. For the record, who is Remco
10 Aalbers?

11 A. Remco Aalbers was in the same job
12 that John Pay did later. So he was a group
13 reserves coordinator at that time.

14 Q. Did Mr. Brass say from whom he had
15 learned of this handshake?

16 A. No. I think as soon as Lorin
17 mentioned that he felt embarrassed and didn't
18 give me any further detail.

19 Q. Did you ask Mr. Darley about this
20 handshake deal?

21 A. No.

22 Q. Did you ever ask Mr. Pay about
23 this handshake deal?

24 A. Not that I recollect, no.

25 Q. Did you ever talk to Remco Aalbers

1 WALTER VAN DE VIJVER

2 about this handshake deal?

3 A. No.

4 Q. Had you ever spoken to Remco
5 Aalbers?

6 A. I think I met him once in NAM
7 during one of my site visits, no, I'm sorry,
8 that's the Dutch operating company in the
9 Netherlands in Assen. I don't have any
10 recollection what -- he was doing a technical
11 job there. I don't really know.

12 Q. If you could turn the page to page
13 5 of the document or 447, the Bates number. If
14 you can look at the top of the chart it says,
15 proved reserves which are likely to be
16 considered as noncompliant by the SEC.

17 Is that the language that you were
18 referring to earlier that had been revised or
19 which is now the revised version of the note?

20 A. Yes.

21 Q. Now, if you can turn to page 24 of
22 the note, underneath the box?

23 A. Uh-huh.

24 Q. It says, "the 720 million barrels
25 (Shell share) gap between reserves booked and

1 WALTER VAN DE VIJVER

2 the base program implies that no realistic
3 projects have been identified to cover this now
4 highly exposed volume."

5 Was this figure a figure that was
6 reached as a result of the study that David
7 Kluesner was working on?

8 A. Yes.

9 Q. And if you look at the next
10 paragraph it says that "major reserves review
11 that SPD carried out in the second half of 2003
12 also identified that a significant number of
13 projects in the base program (together
14 814 million barrels) did not fulfill the
15 recently tightened group reserves guidelines
16 which required VAR 3 or FID for compliance with
17 SEC rules as they are now understood."

18 The major reserves review that's
19 referred there, is that also a reference to the
20 Kluesner work?

21 A. Yes.

22 Q. If you can turn to page 30. The
23 heading says, Other Impacts, and then there are
24 four bullet points with text in a box.

25 Do you recall if what's on page 30

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2 in the Bates number that ends 472 was in your
3 note that you submitted to the CMD?

4 A. I cannot recollect.

5 Q. And if you look at the next page,
6 32, that ends Bates number 474, again, under
7 other impacts there's a bullet point and then
8 text in a box.

9 Do you recall if this text was in
10 your note as originally submitted?

11 A. No. The only thing I recollect is
12 that I obviously visited Oman and Nigeria in
13 early 2004 to tell them what the story was.
14 There was a lot of discussion at CMD during
15 January and December about the depth and extent
16 of the external disclosure, given some of the
17 sensitivities on countries where we were
18 operating.

19 Q. Now, at the meeting of the CMD was
20 there a discussion about the note?

21 A. Yes. It is a note to CMD, so that
22 means there was time allocated for the note at
23 the meeting.

24 (Van de Vijver Exhibit Number 41
25 was marked for identification.)

1 WALTER VAN DE VIJVER

2 BY MR. HABER:

3 Q. What we've marked as van de Vijver
4 Exhibit 41 is a multi-page document, 18 pages to
5 be exact. It says, Committee and Managing
6 Directors, Minutes of the Meeting Held in The
7 Hague on Monday 8 and Tuesday 9 December 2003.

8 There are two Bate ranges the
9 first one is V00090869 through V00090886.

10 The second is TT000712 through
11 TT000729.

12 Mr. Van de Vijver, have you seen
13 this document before?

14 A. Yes.

15 Q. Is this a copy of the minutes of
16 the meeting that you were just talking about?

17 A. Yes.

18 Q. The indicator in the upper
19 left-hand corner, the number. It says number
20 2573?

21 A. Uh-huh.

22 Q. What is that number?

23 A. Every CMD meeting gets a number,
24 so that means that was in terms of the company
25 that was meeting 2,573.

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2 Q. Do you know if by taking a look at
3 this this is the final version of the minutes?

4 A. The structure of it doesn't say
5 draft anymore, implies that this is the final
6 version.

7 Q. During the discussion of the note
8 how would you describe the mood of the meeting?

9 A. Very tense.

10 Q. Why is that?

11 A. Clearly it was in a very difficult
12 session in terms of questions were being asked.
13 Follow-up meetings were being planned. I mean
14 this was the first of a whole sequence of
15 meetings over the weeks thereafter where we
16 would come back to the same issue again and
17 again.

18 Q. And was this the official start of
19 Rockford?

20 A. Yes. This was the first meeting
21 of the formal launch of Rockford.

22 Q. How did the project get its name?

23 A. I don't know. That's always a
24 mystique.

25 Q. Do you recall if Mr. Watts had

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2 said anything during this portion of the meeting
3 concerning Project Rockford?

4 A. Well, he chaired the meeting so
5 clearly he would have said things, but I do not
6 recollect any of the details.

7 Q. Now, if you look on the first
8 page --

9 A. Uh-huh.

10 Q. -- of the document it shows the
11 people who were present?

12 A. Uh-huh.

13 Q. Now, for you it shows for item 6
14 through 21 inclusive only. Does that indicate
15 that you were not in attendance for items 1
16 through 5?

17 A. Yes, that's correct.

18 Q. And the same is true with regard
19 to Mr. Brinded?

20 A. Yes. There was at this time there
21 had been a system introduced where some of the
22 agenda items would involve only Watts, van der
23 Veer, and Boynton.

24 Q. Why would those agenda items only
25 involve those three individuals?

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2 A. That was something that was
3 discussed in CMD, I think somewhere in 2002
4 where the sort of more routine sort of items
5 would not require the whole of the CMD to be
6 present and was agreed that the other members
7 obviously would be copied on the material and
8 the minutes but would not attend that part of
9 the meeting.

10 Q. Now, at this time was Ms. Boynton
11 a member of the CMD?

12 A. Yes.

13 Q. And I see a new name, R.J. Routs.
14 Who is R.J. Routs?

15 A. Rob Routs took over as group
16 managing director from Paul Skinner who retired
17 a couple of months earlier and he was
18 responsible for the oil products business, the
19 downstream business.

20 Q. When Mr. Routs succeeded
21 Mr. Skinner did you have any private
22 communications with him about the reserves
23 issues?

24 A. Before it would come to CMD? No.

25 Q. If you look at the minutes on page

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2 12. The second to last sentence says, "Urgent
3 attention was required as time was of the
4 essence."

5 Do you recall a discussion on this
6 topic?

7 A. No, but I do recollect that a plan
8 was put forward about follow-up meetings.

9 Q. Did anyone at the meeting say that
10 time was of the essence?

11 A. I do not recollect.

12 Q. What was the program of future
13 meetings that you have a recollection of?

14 A. There were at least weekly
15 meetings on this -- on Project Rockford, but I
16 would have to look at details in terms of the
17 exact dates.

18 Q. Okay. Now, as I recall, on the
19 first -- on the first day of our proceedings I
20 had asked you a question about the structure of
21 Project Rockford.

22 How do you -- what is your
23 recollection of how that structure worked? And
24 in particular I'm just trying to get an
25 organizational structure?

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2 A. Yes. Over time a formal structure
3 was put in place. Project Rockford was led by
4 Phil Watts with the assistance of Adrian Loader.
5 And I at that time recommended as the focal
6 point for EP, John Darley.

7 So there was a structure that
8 involved Legal, Group Finance, and I remember
9 commenting on when that structure was proposed.

10 Q. And when you recommended John
11 Darley for EP focal point he was to report to
12 whom?

13 A. In his role he would report to
14 Phil Watts.

15 (Van de Vijver Exhibit Numbers 42
16 and 43 were marked for identification.)

17 MR. HABER: I'm marking two
18 exhibits, Exhibit 42 and an Exhibit 43.

19 While the witness has an
20 opportunity to look at these documents I will
21 identify them for the record.

22 Exhibit 42 is a two-page document,
23 the first page has two e-mails on them, the last
24 of which is from Philip Watts, to Adrian Loader,
25 Beat Hess, Curtis Frasier, John Darley, Judith

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2 Boynton, Tim Morrison, and Mary Jo Jacobi.

3 There's a cc to Jeroen van der Veer, Mr. Van de
4 Vijver, Malcolm Brinded, Judith Boynton, and Rob
5 Routs. It was sent on February 2nd, 2004.

6 The -- that is the last. The subject line reads
7 Rockford Coordination Team. There's an
8 attachment, project team org chart, version 71.

9 It is a document that was produced from the
10 native drives that were produced to us, so there
11 is no Bates number. The summation documentation
12 number in the upper left-hand corner is
13 100485664: Forward Rockford Coordination Team.

14 And I will note for the record
15 there's a footer on the bottom of the first page
16 and that came from our printer because that's
17 just way it prints. It's a default, so it's not
18 part of the document.

19 Exhibit 43 is a series of e-mails,
20 the last of which is from Mr. Van de Vijver,
21 dated February 2nd, 2004. It's sent to Philip
22 Watts with a cc to Adrian Loader, Jeroen van der
23 Veer, Malcolm Brinded, Judith Boynton, Rob
24 Routs, and Beat Hess. There are two Bates
25 ranges. The first is V00370504 through

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2 V00370505. The second range is BRINDED 0119
3 through BRINDED 0120.

4 BY MR. HABER:

5 Q. Now, Mr. Van de Vijver, in your
6 answer before we marked these documents you said
7 over time a formal structure took place.
8 Looking at Exhibit 42, is this the structure
9 you're referring to?

10 A. Yes.

11 Q. And if you look at Exhibit 42 at
12 Mr. Watts' e-mail of January 29, 2004, it
13 appears that there was a first team meeting of
14 this group of people that was to begin in
15 February.

16 What team meeting do you
17 understand him referring to?

18 A. The team meeting, the project team
19 as depicted in this chart.

20 Q. Okay. Do you recall attending
21 that meeting?

22 A. No. I was not invited.

23 Q. And why weren't you invited, if
24 you know?

25 A. As per the organizational

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2 structure I was not on that list, but I felt
3 totally comfortable with Curtis Frasier and John
4 Darley being there.

5 Q. And why was that?

6 A. I had recommended those names as
7 members to the team from the E&P side.

8 Q. Now, if you look at Exhibit 43,
9 your e-mail of January 30, 2004, you write to
10 Mr. Watts, van der Veer, Brinded, Ms. Boynton,
11 and Mr. Routs, and I'm looking at the first
12 sentence, "I thought the idea was to delegate
13 day-to-day management to a group of very senior
14 and capable leaders in our organization below
15 CMD and, hence, was very supportive of an
16 overall coordination of an effort by Adrian
17 Loader with weekly updates to CMD."

18 Two sentences later you continue.

19 "The proposal put forward still
20 has several CMD members on the actual team and I
21 would advise against that to ensure adequate
22 delegation, balance, and ownership."

23 Did you get any response from
24 Mr. Watts to this e-mail?

25 A. The response you see on the same

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2 page.

3 Q. If you look at his e-mail does it
4 appear as he's responding to your criticism of
5 the organization?

6 MR. TUTTLE: Object to form.

7 THE WITNESS: No.

8 BY MR. HABER:

9 Q. When you say in your e-mail of
10 January 30, 2004, "to ensure adequate
11 delegation, balance, and ownership," what
12 message were you trying to convey to the
13 recipients of this e-mail?

14 A. I was trying to convey just that I
15 was comfortable with putting forward John Darley
16 and Curtis Frasier that I felt it important that
17 there was the right distance also to avoid any
18 perception of conflict of interest on a very
19 sensitive issue.

20 Q. You wrote again to Mr. Watts,
21 again, a cc to a number of people who are
22 recipients on these e-mails, "I note that no
23 change has been made based on my comments. At
24 least had expected a discussion at CMD before
25 this was issued."

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2 Why were you expecting a
3 discussion at CMD on the issue?

4 A. Well, I expect that if I would
5 make comments to my colleagues that at least
6 there would be a response.

7 Q. Did you ever have a response from
8 Mr. Watts?

9 A. No.

10 Q. Did you ever get a response from
11 Ms. Boynton?

12 A. No.

13 Q. Did any other member of the CMD
14 respond to your comments?

15 A. No, not that I recollect.

16 Q. And throughout Project Rockford
17 the organizational structure of Rockford
18 remained as depicted in the org chart that's
19 attached to Exhibit 42?

20 MR. MORSE: Objection to form.

21 THE WITNESS: Yes.

22 BY MR. HABER:

23 Q. Now, in the second sentence in the
24 e-mail of February 2nd that you sent to
25 Mr. Watts you said, "In order to 'contain' the

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2 overall senior management on this within EP."

3 What did you mean by putting the
4 word contain into quotes?

5 A. That I wanted to make sure we had
6 a clear focal point accountability in E&P. And
7 John Darley had convinced me that he was able to
8 take the task and he would utilize Curtis
9 whenever he was not available, so I was
10 perfectly happy with them working together as
11 they felt comfortable.

12 MR. HABER: We have to change the
13 tape, so if you can just hang around probably
14 two or three minutes we can try and get this
15 done.

16 MR. DOWD: Thank you.

17 THE VIDEOGRAPHER: This marks the
18 end of tape one in Volume III of Mr. Van de
19 Vijver. We are going off the record. The time
20 is 11:50 a.m.

21 (A brief recess was taken.)

22 THE VIDEOGRAPHER: This marks the
23 beginning of tape two, Volume III in the
24 deposition of Mr. Van de Vijver. We are back on
25 the record. The time is 11:56 a.m.

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2 BY MR. HABER:

3 Q. Mr. Van de Vijver, if you could
4 just look at the org chart on Exhibit 42 for one
5 second. The top of the organization says PX and
6 then Watts/Loader. Do you see that?

7 A. Yes.

8 Q. What is PX?

9 A. PX is a reference indicator of
10 Adrian Loader.

11 Q. What does that stand for?

12 A. Group planning and public affairs,
13 if I'm correct.

14 Q. So the organization chart shows
15 that everyone underneath Mr. Watts and
16 Mr. Loader report up to them and then they are
17 the focal point that reports to the CMD?

18 A. Uh-huh.

19 Q. I'm sorry. You have to verbalize
20 an answer?

21 A. Yes. Yes.

22 Q. Okay. Do you know if Anton
23 Barendregt had ever commented on the note for --
24 the note to the CMD that was submitted on
25 December 8th?