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U.S. DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA
2013 SEP 19 AM 10:35
WILLIAM W. BLEVINS
CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

INFORMATION FOR DESTRUCTION OF EVIDENCE

UNITED STATES OF AMERICA

*

CRIMINAL NO.

13-204

v.

*

SECTION:

SECT. B MAG. 1

ANTHONY BADALAMENTI

*

VIOLATIONS:

*

18 U.S.C. §§ 1030(a)(5)(A) and
(c)(4)(G)(i)

* * *

COUNT ONE

(Destruction of Evidence)

THE UNITED STATES DEPARTMENT OF JUSTICE CHARGES THAT:

At all times relevant to this Information:

The Defendant

1. Defendant ANTHONY BADALAMENTI was employed as the Cementing Technology Director of Halliburton Energy Services, Inc. ("Halliburton"). Halliburton employed hundreds of employees who worked throughout the Gulf of Mexico providing various services with respect to deepwater oil and natural gas drilling operations. Halliburton engaged in regular business throughout, the states bordering the Gulf of Mexico, including in the Eastern District of Louisiana, and maintained headquarters offices for its Gulf operations in Houston, Texas.

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Doc. No. _____

The Macondo Well

2. On or about May 2, 2008, BP Exploration and Production, Inc. (“BP”) entered into a lease with the Minerals Management Service, granting BP the rights to oil and gas reservoirs at a site called Mississippi Canyon Prospect # 252 (“MC # 252”) on the Outer Continental Shelf in the Gulf of Mexico. A well drilled at MC # 252, which BP referred to as the Macondo well, lay approximately 48 miles from the Louisiana shoreline in approximately 5,000 feet of seawater.

3. Halliburton was contracted to provide BP with cementing and other services with respect to BP’s drilling plan for the Macondo well.

4. On or about October 6, 2009, drilling commenced on the Macondo well using the *Marianas* drilling rig. On or about November 9, 2009, work was halted due to Hurricane Ida.

5. On or about January 31, 2010, the *Deepwater Horizon* drilling rig arrived at the Macondo well to resume drilling pursuant to BP’s well design, drilling program, and instructions. On or about April 9, 2010, drilling of the Macondo well was completed, at a total depth of approximately 18,360 feet below sea level.

6. During the evening of April 20, 2010, a blowout occurred on the *Deepwater Horizon*. Natural gas and oil that had entered the well rushed up the riser and onto the rig floor. The natural gas ignited, causing multiple explosions, killing eleven men onboard. A fire onboard the *Deepwater Horizon* burned for two days, and resulted in the *Deepwater Horizon* sinking on or about April 22, 2010. Beginning at the time of the blowout, oil and natural gas flowed into the Gulf of Mexico.

Post-Incident Government Investigations

7. On April 27, 2010, the United States Departments of the Interior and Homeland

Security announced investigations of the incident. In the weeks following the blowout, more government investigations were launched. Investigating agencies required that Halliburton preserve and produce information, documents and other materials related to Halliburton's work on the Macondo well. Halliburton had a legal obligation to preserve pre- and post-spill material related to the Macondo well.

8. After the incident, Halliburton and others examined various technical aspects of the well's design and construction, including whether the number of centralizers used in the production casing played any role in the blowout. A production casing is a long, heavy metal pipe set across the area of the oil and natural gas reservoir. Centralizers are metal devices that protrude from various intervals of the casing strings of a well, which can help keep the casing centered in the wellbore away from the surrounding walls as it is lowered and placed in the well. Use of centralizers can help keep the casing centered in the wellbore away from the surrounding walls as it is lowered and placed in the well. Centralization can be significant to the quality of subsequent cementing around the bottom of the casing. Prior to the blowout, Halliburton had recommended to BP the use of 21 centralizers in the Macondo well. BP opted to use six centralizers instead.

9. On or about May 14, 2010, Defendant BADALAMENTI directed a Senior Program Manager for the Cement Product Line ("Program Manager") to run two computer simulations of the Macondo well cementing job using Halliburton's Displace 3D simulation program to compare alternative predictions of the cement job in the production casing, which included different numbers of centralizers. Displace 3D was a next-generation simulation program that was being developed to model fluid interfaces and their movement through the wellbore and annulus of a well.

The Destruction of Evidence

10. As directed, the Program Manager ran the simulations, which indicated to those present little difference between using six or 21 centralizers according to the Displace 3D program. Program Manager then showed the results, contained on his Halliburton laptop, to defendant BADALAMENTI and possibly one other Halliburton senior manager. Defendant BADALAMENTI then directed Program Manager to delete the results. Defendant BADALAMENTI had been previously instructed by another Halliburton executive to preserve material related to the Macondo well and was not authorized to direct the deletion of this data. Program Manager felt uncomfortable deleting the simulations but nonetheless followed the direction of defendant BADALAMENTI to delete the simulations by (1) entering his Halliburton computer, locating the relevant files within the computer (which files contained a “.d3d” identifier) and deleting those files, and then (2) entering the computer’s “Recycle Bin,” accessible through the user interface of the computer, and erasing the deleted files from that location as well. Program Manager later acknowledged the deletion to another employee (“Employee 1”) and stated, “I did what I was told.”

11. In or about May and June 2010, defendant BADALAMENTI asked Employee 1, who was more experienced than Program Manager at running Displace 3D simulations, to run the same two types of simulations, which included different numbers of centralizers. Employee 1’s simulations also indicated to him little difference between using six or 21 centralizers according to the Displace 3D program. Employee 1 then showed at least some of the results, contained on his Halliburton laptop, to defendant BADALAMENTI and another manager. Employee 1 was then directed to “get rid of” the simulations. Defendant BADALAMENTI was

not authorized to direct the deletion of this data. Because Employee 1 felt uncomfortable destroying the simulations, Employee 1 delayed destroying the simulations for some time but, ultimately, like Program Manager before him, deleted them from his Halliburton computer. Employee 1 was not authorized to delete this data.

12. During ensuing civil litigation and federal criminal investigation by the Deepwater Horizon Task Force, subsequent efforts to forensically recover the deleted Displace 3D computer simulations from May/June 2010 were unsuccessful.

13. The Halliburton computers upon which the materials were stored and later deleted were used in and affected interstate and foreign commerce and communication.


14. In or about and between May 2010 and June 2010, both dates being approximate and inclusive, in the Eastern District of Louisiana and elsewhere, defendant

ANTHONY BADALAMENTI

did knowingly cause the transmission of a command, and as a result of this conduct, intentionally caused damage without authorization, to a protected computer, to wit: the destruction on Halliburton computers of Displace 3D simulations conducted in or about May and June, 2010, pertaining to the Macondo well.

All in violation of Title 18, United States Code, Sections 18 U.S.C. §§ 1030(a)(5)(A) and (c)(4)(G)(i).

JOHN D. BURETTA
Director, Deepwater Horizon Task Force



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Trial Attorney, Deepwater Horizon Task Force

New Orleans, Louisiana
September 19, 2013

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United States District Court
FOR THE
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UNITED STATES OF AMERICA


vs.
ANTHONY BADALAMENTI

BILL OF INFORMATION FOR
UNAUTHORIZED DESTRUCTION

Violation(s):
18 U.S.C. § 1030(a)(5)(A)
18 U.S.C. § 1030(c)(4)(G)(i)

Filed _____, 20 13
_____, Clerk.

By _____, Deputy


WILLIAM PERICAK
Deputy Director, Deepwater Horizon Task Force