

Abstract

In the wake of BP's Deepwater Horizon oil spill that occurred in the Gulf of Mexico, it is necessary to examine the engineering failures that lead to the spill, the environmental impact of the spill, and the economic impact such a spill can have on the Gulf residents.

On April 20, 2010 at about 10:00 pm (CDT) an explosion occurred on the Deepwater Horizon oil rig, located in the Mississippi Canyon block 252 also known as the Macondo oil prospect, approximately 50 miles Southeast of Venice, Louisiana. The resulting catastrophe lead to the death of 11 crew members and the worst environmental oil spill in U.S. history. About 4.9 million barrels escaped from the top of the well approximately 5000 feet below from oil and gas reservoirs which were located at depths of about 17,000 feet. The failures leading to the disaster can be easily found in design flaws, human errors, improper maintenance, and inadequate response technology.

The environmental impact appears to be less dire than initially thought because the response team used the available resources to successfully restore large portion of areas affected including animals to their original conditions. On the other hand, the environment also seems charged and ready to restore itself naturally.

The extent to which the economy is affected is yet to be fully understood but what is known is that the \$ 60 billion dollar oil industry crippled the \$ 20 billion fishing industry and the \$ 20 billion tourist industry in the Gulf Coast.