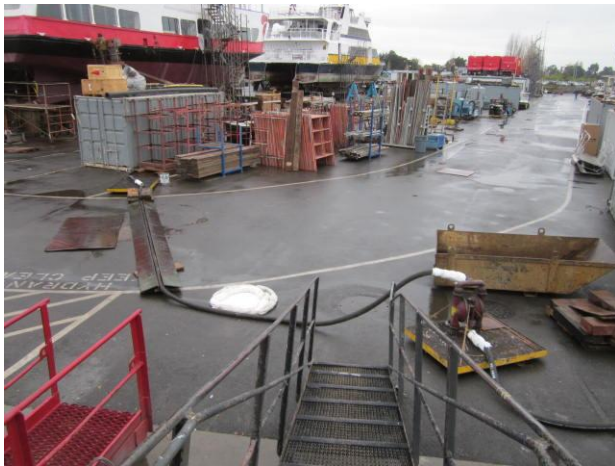


**Pacific Responder 2012 Drydocking at Bay Ship
& Yacht Co. (BSY), Alameda, CA since 2/6/2012**

Status as of 2/8/2012:

Completed all preparations including paperwork for transferring fuel about 1100 yesterday.
After a test run of 1,000 gallons before lunch completed transferring 19,200 gallons yesterday.
Continue transferring all day today and have move 70,200 total by COB today.



At least 300-foot hose run from PAR to the five Alder temporary fuel storage tanks. Lay down equipment used to protect hoses from vehicle traffic. Two booster pumps which turned out not to be needed.



Final all-hands walk through of the defueling set up from the PAR fuel manifold to the Alder tanks yesterday morning. Oiler Katie Chelekis sounding the #2 fuel tanks this morning.

Intent is to complete total transferring of about 85,000 by noon tomorrow. Initial plan to use two booster pumps ashore was abandoned late yesterday as not needed. After pump impedance removed we were able to boost transfer rate with the PAR transfer pump alone to 11,500 gals the best hour today. Considering the line losses for this long hose run this capacity of almost the rated 200 GPM for the PAR transfer pump is excellent performance.

ABS conducted the kick-off meeting with the subcontractor gauging company, International Inspection, Inc. which recently opened an office in Alameda. We have used them for other gauging efforts in the PacNW and found them very professional. The gauging team completed the main deck, O-1, O-2, & O-3 level decks plus both sea chests and all associated piping before lunch today. Copies of rough results showed no wastage of note. The gauging team will continue as soon as the ship is drydocked.

The current plan for the shipyard's only large floating DD is to complete one of the two Jerico Products barges currently on the dock undergoing major steel hull repairs over the weekend and one end of the other barge. The first barge will be undocked and the second incomplete barge re-docked at the west end of the drydock.

After docking blocks are completed for Pacific Responder, the shipyard intends to drydock both PAR and the remaining barge Tuesday or Wednesday of next week. The barge in DD with PAR will not be undocked until PAR is ready for undocking in about a month. Current plan is for PAR to transit under ship's power the 100 yards to the east-end drydock sill and when shipyard docking team has lines across, secure the propulsion plant when safely within the drydock.



One of the Jerico Products barges on DD today. ABS Surveyor Nick Leik with CE Gwan Kim during initial ABS ship visit yesterday to observe the fuel transfer pump and system in operation and orientation inspection. Principal Surveyor Jake De Guzman also attended the ship with Nick.

Upcoming Events:

Thurs/ Friday: Complete defueling and correcting any list with minor ballast tank adjustments. Hopefully the shipyard will commence opening ballast tanks and voids to support ventilating and gas freeing to support the possible start of above water sea valve disassembly. Some discussion of commencing the hose replacements in the central hydraulic system but still need the bow thruster, anchor windless, and steering engines (separate systems) if we move to DD under power.

All other work items being reviewed for starting now but no production manning yet made available other the de-fueling PICs and team members. Engineering support for drydocking and production planning/material procurement being worked.

Weekend Work: Expect that decision by noon Friday but little anticipated until ship is drydocked.

Regards,

Phil Grasser
MSRC Rep