

UNITED STATES DEPARTMENT OF THE INTERIOR
 MINERALS MANAGEMENT SERVICE
 GULF OF MEXICO REGION
ACCIDENT INVESTIGATION REPORT

1. OCCURRED

DATE: **01-AUG-2007** TIME: **1815** HOURS

2. OPERATOR:

Energy XXI GOM, LLC

REPRESENTATIVE: **Kimberely Hicks**

TELEPHONE: **(281) 492-3241**

CONTRACTOR:

REPRESENTATIVE:

TELEPHONE:

3. OPERATOR/CONTRACTOR REPRESENTATIVE/SUPERVISOR
ON SITE AT TIME OF INCIDENT:

4. LEASE:

G16493

AREA:

MP

LATITUDE:

BLOCK:

61

LONGITUDE:

5. PLATFORM:

A

RIG NAME:

6. ACTIVITY:

EXPLORATION(POE)

DEVELOPMENT/PRODUCTION
(DOC/POD)

7. TYPE:

HISTORIC INJURY

REQUIRED EVACUATION

LTA (1-3 days)

LTA (>3 days)

RW/JT (1-3 days)

RW/JT (>3 days)

Other Injury

FATALITY

POLLUTION

FIRE

EXPLOSION

LWC HISTORIC BLOWOUT

UNDERGROUND

SURFACE

DEVERTER

SURFACE EQUIPMENT FAILURE OR PROCEDURES

COLLISION

HISTORIC

>\$25K

<=\$25K

STRUCTURAL DAMAGE

CRANE

OTHER LIFTING DEVICE

DAMAGED/DISABLED SAFETY SYS.

INCIDENT >\$25K

H2S/15MIN./20PPM

REQUIRED MUSTER

SHUTDOWN FROM GAS RELEASE

OTHER

6. OPERATION:

PRODUCTION

DRILLING

WORKOVER

COMPLETION

HELICOPTER

MOTOR VESSEL

PIPELINE SEGMENT NO.

OTHER

8. CAUSE:

EQUIPMENT FAILURE

HUMAN ERROR

EXTERNAL DAMAGE

SLIP/TRIP/FALL

WEATHER RELATED

LEAK

UPSET H2O TREATING

OVERBOARD DRILLING FLUID

OTHER _____

9. WATER DEPTH:

97 FT.

10. DISTANCE FROM SHORE:

10 MI.

11. WIND DIRECTION:

WNW

SPEED:

8 M.P.H.

12. CURRENT DIRECTION:

E

SPEED:

1 M.P.H.

13. SEA STATE:

FT.

17. DESCRIBE IN SEQUENCE HOW ACCIDENT HAPPENED:

On August 1, 2007 at 1815 hours, OCS-G 16493, Main Pass (MP) 61 A, operators were notified by Energy XXI GOM, LLC personnel that the U.S.C.G. had observed a sheen which appeared to originate at Platform A. There were no system upsets to lead to the discharge of oil. Operators had an issue with the float cell and discharged rusty water from the facility. Spill volume .41 bbls. NRC # 844151

On August 3, 2007, New Orleans District Inspectors conducted an investigation at the MP 61 A Platform on the above mentioned pollution incident. On October 17, 2007, the New Orleans District Manager spoke with Wood Group's Supervisor on the events that lead to this incident. It was determined through statements from the operator, Energy XXI GOM, LLC's final report and conversations as outlined above that the events leading up to the pollution incident are as follows:

The operators on the facility were in the process of returning the facility to production. Part of the procedures was to drain the water leg of the Unicel to the sump. This is required due to the iron sulfate build up that occurs during extended shut-ins. Shortly after returning to production, the sump experienced increased input due to heavy rainfall. Liquid hydrocarbons within the sump were attached to the iron sulfate particles and were carried over into the Gulf of Mexico through the water leg of the sump.

18. LIST THE PROBABLE CAUSE(S) OF ACCIDENT:

- a. Platform was shut-in for extended period of time.
- b. Sump tank being flooded with iron sulfate particals contaminated with liquid hydrocarbons.
- c. Sump system water section agitation due to heavy rainfall.

19. LIST THE CONTRIBUTING CAUSE(S) OF ACCIDENT:

- a. Operators failed to take shake outs before and during the P/F startup.
- b. Operators did not shut in the P/F or close the overboard water valve when the discharge water had become questionable.

20. LIST THE ADDITIONAL INFORMATION:

21. PROPERTY DAMAGED:

None

NATURE OF DAMAGE:

None

ESTIMATED AMOUNT (TOTAL):

\$

22. RECOMMENDATIONS TO PREVENT RECURRENCE NARRATIVE:

The New Orleans District has no recommendations to MMS.

The New Orleans District concurs with the operator's recommendation as outlined below.

Energy XXI GOM, LLC has placed filtrations systems within the water treating system as a temporary repair for the iron sulfate issues. The Unicels will be replaced with Wemcos within the next eight weeks.

23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT: **YES**

24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:

On August 3, 2007, Inspectors issued Incident of Noncompliance (INC) E-100 (w) Lessee is not preventing pollution of Gulf Waters.

25. DATE OF ONSITE INVESTIGATION:

03-AUG-2007

26. ONSITE TEAM MEMBERS:

Brian Bush / Justin Josey /

29. ACCIDENT INVESTIGATION

PANEL FORMED: **NO**

OCS REPORT:

30. DISTRICT SUPERVISOR:

Troy Trosclair

APPROVED

DATE: **19-OCT-2007**

POLLUTION ATTACHMENT

1. VOLUME: **17.22** GAL BBL
YARDS LONG X YARDS WIDE

APPEARANCE: **RAINBOW SHEEN**

2. TYPE OF HYDROCARBON RELEASED: OIL
 DIESEL
 CONDENSATE
 HYDRAULIC
 NATURAL GAS
 OTHER Treated Water

3. SOURCE OF HYDROCARBON RELEASED: **Discharged Rusty Water from the facility.**

4. WERE SAMPLES TAKEN? **NO**

5. WAS CLEANUP EQUIPMENT ACTIVATED? **NO**

IF SO, TYPE: SKIMMER
 CONTAINMENT BOOM
 ABSORPTION EQUIPMENT
 DISPERSANTS
 OTHER _____

6. ESTIMATED RECOVERY: GAL BBL

7. RESPONSE TIME: HOURS

8. IS THE POLLUTION IN THE PROXIMITY OF AN ENVIRONMENTALLY SENSITIVE AREA (CLASS I)? **NO**

9. HAS REGION OIL SPILL TASK FORCE BEEN NOTIFIED? **NO**

10. CONTACTED SHORE: **NO** IF YES, WHERE:

11. WERE ANY LIVE ANIMALS OBSERVED NEAR: **NO**

12. WERE ANY OILED OR DEAD ANIMALS OBSERVED NEAR SPILL: **NO**