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

ACCIDENT INVESTIGATION REPORT

| 1. | OCCURRED | | | | | |
|----|--|-----|--|--|--|--|
| | DATE: 11-AUG-2009 TIME: 0830 HOURS | | STRUCTURAL DAMAGE CRANE OTHER LIFTING DEVICE DAMAGED/DISABLED SAFETY SYS. INCIDENT >\$25K H2S/15MIN./20PPM REQUIRED MUSTER SHUTDOWN FROM GAS RELEASE OTHER | | | |
| 2. | OPERATOR: SPN Resources, LLC REPRESENTATIVE: Gil Smith TELEPHONE: (504) 263-4287 CONTRACTOR: REPRESENTATIVE: David Foreman (Fab-Con Inc TELEPHONE: (504) 534-9454 | | | | | |
| 3. | OPERATOR/CONTRACTOR REPRESENTATIVE/SUPERVISOR ON SITE AT TIME OF INCIDENT: | 6. | OPERATION: | | | |
| | LEASE: G01608 AREA: SP LATITUDE: BLOCK: 60 LONGITUDE: PLATFORM: D | | X PRODUCTION DRILLING WORKOVER COMPLETION HELICOPTER MOTOR VESSEL PIPELINE SEGMENT NO. | | | |
| | RIG NAME: | | X OTHER Hot Work Operations | | | |
| 6. | ACTIVITY: EXPLORATION (POE) X DEVELOPMENT/PRODUCTION (DOCD/POD) | 8. | CAUSE: EQUIPMENT FAILURE | | | |
| 7. | TYPE: HISTORIC INJURY REQUIRED EVACUATION LTA (1-3 days) LTA (>3 days RW/JT (1-3 days) RW/JT (>3 days) | | HUMAN ERROR EXTERNAL DAMAGE SLIP/TRIP/FALL WEATHER RELATED LEAK UPSET H2O TREATING OVERBOARD DRILLING FLUID OTHER | | | |
| | Other Injury | | WATER DEPTH: 190 FT. | | | |
| | FATALITY POLLUTION X FIRE EXPLOSION | | DISTANCE FROM SHORE: 6 MI. | | | |
| | LWC HISTORIC BLOWOUT UNDERGROUND SURFACE | | WIND DIRECTION: SPEED: M.P.H. CURRENT DIRECTION: N | | | |
| | DEVERTER SURFACE EQUIPMENT FAILURE OR PROCEDURES | | SPEED: 2 M.P.H. | | | |
| | COLLISION HISTORIC >\$25K <=\$25K | 13. | SEA STATE: 2 FT. | | | |

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17. INVESTIGATION FINDINGS:

At the time of the incident, construction personnel were repairing the platform's flare boom stairs on the top deck. Prior to the operations to repair the stairs, all personnel involved attended the job review and signed the Job Safety Analysis (JSA). Tarps were positioned and wet down on the top deck where hot work procedures were initiated. During the cutting operations, some of the slag was carried by water to the second deck below and ignited a small amount of condensate. The deck's water and condensate mixture covered an area of approximately 4'x 4', with the condensate originating from a packing leak in the T-103 condensate pump. The condensate pump, however, was not operating at the time of the incident.

The fire watch personnel observed smoke coming from the second deck, alerted all personnel, proceeded to the deck below with a 30 pound fire extinguisher and extinguished the fire within 30 seconds. The total response time of the fire watch personnel was approximately 5 minutes from when the fire was observed to when the fire was extinguished. The fire watch remained on location for an additional $1 \frac{1}{2}$ hours in case of another ignition. The fire resulted in only melting the outer casing of the CLX electrical cable on the cable raceway to the condensate pump. There were no injuries or pollution as a result of the incident.

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

Slag was carried to the second deck where it ignited a small amount of condensate that originated from a packing leak in the T-103 condensate pump.

- 19. LIST THE CONTRIBUTING CAUSE(S) OF ACCIDENT:
 - 1. The water used to keep the slag from burning, inadvertently carried the hot slag to the lower deck, while also causing the condensate to spread over a larger area.
 - 2. The tarp habitat built by the construction crew lacked sufficient design to prevent the red hot slag and water from falling to the lower deck.
- 20. LIST THE ADDITIONAL INFORMATION:

21. PROPERTY DAMAGED:

Wires on the cable raceway to the condensate pump were damaged.

NATURE OF DAMAGE:

The outer casing of wires from the cable raceway were melted from the fire.

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22. RECOMMENDATIONS TO PREVENT RECURRANCE NARRATIVE:

The MMS New Orleans District makes no recommendations to the MMS Regional Office of Safety Management (OSM).

- 23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT: NO
- 24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:
- 25. DATE OF ONSITE INVESTIGATION:

12-AUG-2009

26. ONSITE TEAM MEMBERS:

Robert Neal /

29. ACCIDENT INVESTIGATION PANEL FORMED: NO

OCS REPORT:

30. DISTRICT SUPERVISOR:

Trocquet, David

APPROVED

DATE: 02-APR-2010

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FIRE/EXPLOSION ATTACHMENT

| 1. | SOURCE OF IGNITIO | N: H o | ot slag | contacting | g con | densate. |
|----|-------------------|---------------|------------------------|------------|-------|---|
| 2. | TYPE OF FUEL: | | GAS OIL DIESEL CONDENS | | | |
| | FUEL SOURCE: Pac | | | | | |
| | KNOWN SOURCES OF | IGNIT | 'ION PRI | OR TO THE | ACCII | DENT ? NO |
| 5. | TYPE OF FIREFIGHT | ING E | QUIPMEN | T UTILIZED | | HANDHELD WHEELED UNIT FIXED CHEMICAL FIXED WATER NONE OTHER |

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