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

ACCIDENT INVESTIGATION REPORT

1. OCCURRED DATE: 27-JUN-2007 TIME: 1800 HOURS 2. OPERATOR: LLOG EXPLORATION COMPANY REPRESENTATIVE: John Duncan TELEPHONE: (713) 948-6270 CONTRACTOR: Diamond Offshore Drilling, Inc REPRESENTATIVE: Ron Davis TELEPHONE: (800) 848-1980	STRUCTURAL DAMAGE CRANE OTHER LIFTING DEVICE DAMAGED/DISABLED SAFETY SYS. INCIDENT >\$25K H2S/15MIN./20PPM REQUIRED MUSTER SHUTDOWN FROM GAS RELEASE OTHER
3. OPERATOR/CONTRACTOR REPRESENTATIVE/SUPERVISOR ON SITE AT TIME OF INCIDENT:	6. OPERATION:
4. LEASE: G25103 AREA: MC LATITUDE: BLOCK: 707 LONGITUDE: 5. PLATFORM: RIG NAME: DIAMOND OCEAN SARATOGA	PRODUCTION DRILLING WORKOVER COMPLETION HELICOPTER MOTOR VESSEL PIPELINE SEGMENT NO. OTHER
EXPLORATION (POE) DEVELOPMENT/PRODUCTION (DOCD/POD) 7. TYPE: HISTORIC INJURY REQUIRED EVACUATION LTA (1-3 days) LTA (>3 days RW/JT (1-3 days) RW/JT (>3 days)	EQUIPMENT FAILURE HUMAN ERROR EXTERNAL DAMAGE SLIP/TRIP/FALL WEATHER RELATED LEAK UPSET H20 TREATING OVERBOARD DRILLING FLUID OTHER
Other Injury	9. WATER DEPTH: 1538 FT.
FATALITY POLLUTION FIRE EXPLOSION	10. DISTANCE FROM SHORE: 60 MI.
LWC HISTORIC BLOWOUT UNDERGROUND SURFACE DEVERTER SURFACE EQUIPMENT FAILURE OR PROCEDURES	11. WIND DIRECTION: NE SPEED: 10 M.P.H. 12. CURRENT DIRECTION: SPEED: M.P.H.
COLLISION HISTORIC >\$25K <=\$25K	13 SEA STATE: FT

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17. DESCRIBE IN SEQUENCE HOW ACCIDENT HAPPENED:

On June 27, 2007, while transferring mud from pit # 5 to the slugging pit, mud leaked by the master dump valve. The master dump valve had been opened for cleaning of the slug pit for a cement spacer. The master dump valve was not closed back and the rig accidentally dumped 33 barrels of synthetic mud (25% oil) of which approximately 8 barrels was oil, while drilling sidetrack 2 of well No.1. The spill naturally dissipated.

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

Ensure master dump valve is closed and locked.

- 19. LIST THE CONTRIBUTING CAUSE(S) OF ACCIDENT:
 - (1) Master dump valve not closed and locked.
 - (2) Improper handover at tour change to relay information about ongoing operation.
- 20. LIST THE ADDITIONAL INFORMATION:

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EV2010R 12-SEP-2007

21. PROPERTY DAMAGED:

NATURE OF DAMAGE:

33 barrels of synthetic mud

Lost overboard

ESTIMATED AMOUNT (TOTAL):

- 22. RECOMMENDATIONS TO PREVENT RECURRANCE NARRATIVE:
 - (1) Train all employees to ensure closure of valve before transferring and fluid.
 - (2) Complete proper handover at tour change.
 - (3) Revise JSA.
- 23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT:
- 24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:
- 25. DATE OF ONSITE INVESTIGATION:

27-JUN-2007

26. ONSITE TEAM MEMBERS:

Darrell Williams /

29. ACCIDENT INVESTIGATION PANEL FORMED: NO

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OCS REPORT:

27. OPERATOR REPORT ON FILE: YES

30. DISTRICT SUPERVISOR:

Troy Trosclair

APPROVED

DATE: 11-SEP-2007

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POLLUTION ATTACHMENT

1.	VOLUME: GAL		8	BBL		
	YARDS	LONG X		YARDS WIDE		
	APPEARANCE:					
2.	TYPE OF HYDROCARBON REI	LEASED:	OIL			
			DIESE			
			CONDE	NSATE		
			HYDRA	JLIC		
			NATUR	AL GAS		
		x	OTHER	Synthetic Base Mud		
3.	. SOURCE OF HYDROCARBON RELEASED: Master Dump Valve					
4.	WERE SAMPLES TAKEN? NO					
5.	. WAS CLEANUP EQUIPMENT ACTIVATED? NO					
	IF SO, TYPE: SKIMMER					
	CONTAINMENT BOOM					
	ABSORPTION EQUIPMENT					
	DISPERSANTS					
	OTHE	R				
6.	ESTIMATED RECOVERY:	GA	.L	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					

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