

Civil Penalties Program

The goal of the BSEE OCS Civil Penalties Program is to assure safe and clean operations on the OCS. Through the pursuit, assessment, and collection of civil penalties and referrals for the consideration of criminal penalties, the program is designed to encourage compliance with OCS statutes and regulations.

2017 Civil Penalties Summary
 Penalties Paid for 2017
 (10/1/2016 - 9/30/2017)

Operator Name and Case No.	Violation and Date(s)	Penalty Paid and Date Paid	INC / Regulation(s) Violated
W & T Offshore, Inc. G – 2016 - 013	BSEE Inspectors observed a gas cloud, and a 1 mile long by a ¼ mile wide sheen coming from the platform. The Inspectors observed hydrocarbons leaking from a well bleed-port, and several areas on the platform covered in hydrocarbons. The platform operators were bleeding down the flowline of a well with no containment, and venting natural gas and hydrocarbons to the atmosphere and into the Gulf of Mexico (2 violations) 9/30/2014	\$83,000 10/7/2016	G110 30 CFR 250.107(a) E100 30 CFR 250.300
Northstar Offshore Group, LLC G - 2016 - 010	BSEE Inspectors discovered hydrocarbons coming from the platform. Production operations were performing maintenance on the platform, and were not properly monitoring by-passed equipment. The Level Safety High could not detect a high level, and caused an unauthorized discharge of hydrocarbons into the Gulf of Mexico (3 violations) December 14, 2015	\$78,750 10/31/2016	P103 / 30 CFR 250.803(c) P103 / 30 CFR 250.803(c) E100 / 30 CFR 250.300
Hoactzin Partners, L.P. G – 2015 - 035	Failure to move equipment containing flammable substances (methanol) at least 35 feet horizontally from the welding area prior to conducting welding operations September 19, 2015	\$25,000 11/14/2016	G303 / 30 CFR 250.113(a)

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EnVen Energy Ventures, LLC G – 2016 - 022	During the course of an inspection, BSEE Inspectors observed an open hole that was not properly barricaded to protect personnel from entering the hazardous area May 5, 2016	\$26,250 11/15/2016	G110 / 30 CFR 250.107(a)
W & T Offshore, Inc. G – 2016 - 019	During the course of an inspection, BSEE Inspectors discovered welding operations had been conducted within 35 feet of oil and mineral spirit storage drums, and near a wooden deck. The flammable material was not removed or protected with flame-proof covers. The Inspectors also observed severely corroded drums of chemicals, a leaking tote tank, and improper containment on the facility (2 violations) March 2, 2016	\$52,000 12/2/2016	G112 / 30 CFR 250.107 G303 / 30 CFR 250.113(a)
Shell Offshore Inc. G-2016-025	According to investigation findings, personnel were bunkering methanol from a motor vessel to storage tanks on the platform. There was an inaccurate and insufficient management of a methanol transfer that overfilled the storage tanks, and resulting in an unauthorized discharge of methanol into the Gulf of Mexico. (2 violations) May 25, 2016	\$47,250 1/12/2017	G110 / 30 CFR 250.107(a) E100 / 30 CFR 250.107(a)
Energy XXI GOM, LLC G – 2015 - 023	Two wells Temporary Abandoned without verification of plug integrity; verified methane gas bubbling up (3 violations) 01/29/2015 (1 violation) 1/31/2015 (1 violation) 3/17/2015	\$965,000 2/9/2017	G112 / 30 CFR 250.107 G111 / 30 CFR 250.113(a) A107 / CFR 250.1715(b) A107 / CFR 250.1715(b) G115 / CFR 250.1712

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McMoRan Oil & Gas LLC G - 2015 - 031	Injuries occurred to two personnel who fell out of a Personnel basket while attempting to evacuate the platform with a Tropical Storm approaching the area. June 12, 2015	\$37,000 2/23/2017	G110 / 30 CFR 250.107(a)
Shell Offshore Inc. G – 2016 - 027	According to the investigation findings, the crane crew was in the process of moving a 6-by-6-foot cargo box from the production deck to the pipe rack. The Crane Operator was given the all clear and began maneuvering the box. As the Crane Operator maneuvered the box, a worker was injured after he became entangled in the tagline and was pulled over the water, where he fell 106 feet into the Gulf of Mexico. May 5, 2016	\$36,750 2/27/2017	G110 / 30 CFR 250.107(a)
Hercules Offshore, Inc. G – 2016 - 004	While performing well completion operations there was a loss of well control, due to the rig personnel's inability to properly maintain the completion fluid density that would have enabled them to detect a well bore influx in a timely manner. The loss of well control caused a fire and extensive damages to the rig structure. (2 violations) July 23, 2013	\$65,000 5/23/2017	G110 / 30 CFR 250.107(a) G112 / 30 CFR 250.107
ANKOR Energy LLC G – 2016 - 014	The master control panel's system was in bypass while the platform was unmanned (without notifying the district manager) and while platform's systems were in service (normal operating conditions). September 9, 2015	\$52,000 5/30/2017	P103 / 30 CFR 250.803(c)
Walter Oil & Gas Corporation G – 2016 - 023	Unprotected areas for preventing falls and other hazards. May 23, 2016	\$21,000 6/2/2017	G110 / 30 CFR 250.107(a)
Energy Resource Technology GOM, Inc. G - 2016 - 020	Incident involving a fatality while conducting welding and cutting operations during platform decommissioning operations October 27, 2013	\$42,704 6/9/2017	G110 / 30 CFR 250.107(a)

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Energy Resource Technology GOM, Inc. G – 2016 - 026	Several Open holes on facility creating fall hazards for personnel. July 31, 2016	\$31,250 6/9/2017	G110 / 30 CFR 250.107(a)
W & T Offshore, Inc. G – 2017 - 002	ESD on Master Panel bypassed and PSV on Pipeline isolated by a closed block valve. (2 violations) October 8, 2014	\$62,000 6/22/2017	P103 / 30 CFR 250.80(c)
Energy XXI GOM, LLC G – 2017 - 007	During the course of an inspection, BSEE Inspectors observed the Sump Pump (pump) supply valve blocked in the off position which prevented the pump from automatically maintaining the oil at a safe level to prevent a discharge of oil into the Gulf of Mexico. March 30, 2015	\$26,000 6/22/2017	E103 / 30 CFR 250.300(b)(4)
Hess Corporation G – 2017 - 010	According to the investigation findings, spent Therminol filters that were placed near process equipment ignited and caused a small fire. December 29, 2016	\$31,500 6/29/2017	G110 / 30 CFR 250.107(a)
Chevron U.S.A. Inc. G – 2017 - 017	Missed two check/test periods for PB Valve SSCSSV (or Storm Choke) in well. August 31, 2014	\$41,500 7/03/2017	P281 / 30 CFR 250.880(c)(1)(l)(i)
Arena Offshore, LP G - 2017 - 16	During the course of an inspection, BSEE Inspectors observed the sump pump leaking excessive hydrocarbons. The hazard was not immediately corrected and removed. BSEE observed hydrocarbons in the sump pump skid, on the grating directly outside of the sump pump skid, the lower legs of the platform, and the surrounding areas. August 30, 2016	\$26,000 7/05/2017	G110 / 30 CFR 250.107(a)
W & T Offshore, Inc. G – 2017 - 006	Tubing struck personnel in chest and then fell on his ankle breaking it. October 17, 2017	\$36,750 7/06/2017	G110 / 30 CFR 250.107

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Energy XXI GOM, LLC G – 2017 - 014	Crane shock loaded then followed by personnel transfer. May 3, 2016	\$26,250 7/17/2017	G110 / 30 CFR 250.107(a)
Energy XXI GOM, LLC G – 2017 - 001	During a previous inspection BSEE requested the operator to have a Non-Destructive Inspection performed on severely corroded piping. The results of the inspection revealed that the piping was unfit for service. BSEE returned at a later date to conduct a follow up inspection to check the status of the piping, and found that the operator still had the severely corroded piping in operation without making the needed repairs. September 14, 2016	\$126,000 8/09/2017	G111 / 30 CFR 250.107
Chevron U.S.A. Inc. G - 2017 - 19	An incident occurred while performing drill pipe handling operations, resulting in a worker being fatally struck in the head with a drill pipe. October 20, 2015	\$42,704 9/7/2017	G110 / 30 CFR 250.107
Petsec Energy Inc. G – 2016 - 021	The process shutdown group system bypass was in bypass while the platform was in service (normal operating June 19, 2015	\$21,000 9/23/2017	P103 / 30 CFR 250.80(c)
TOTAL PENALTIES PAID: 10/1/2016 - 9/30/2017 24 Cases: \$2,002,658			