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

ACCIDENT INVESTIGATION REPORT

1. OCCURRED
   DATE: 04-AUG-2009    TIME: 1130    HOURS

2. OPERATOR: Cobalt International Energy, L.P.
   REPRESENTATIVE: Rachal, Erin
   TELEPHONE: (281) 578-3388
   CONTRACTOR:
   REPRESENTATIVE:           TELEPHONE:

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

4. LEASE: G32536
   AREA: GC      LATITUDE: 27.115
   BLOCK: 858     LONGITUDE: -90.846667

5. PLATFORM:
   RIG NAME: GSF DEVELOPMENT DRILLER I

6. ACTIVITY:
   X 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)
   Other Injury
   FATALITY
   POLLUTION
   FIRE
   EXPLOSION

   HISTORIC BLOWOUT
   UNDERGROUND
   SURFACE
   DEVERTER
   SURFACE EQUIPMENT FAILURE OR PROCEDURES
   COLLISION

8. CAUSE:
   X EQUIPMENT FAILURE
   HUMAN ERROR
   EXTERNAL DAMAGE
   SLIP/TRIP/FALL
   WEATHER RELATED
   LEAK
   UPSET H2O TREATING
   OVERBOARD DRILLING FLUID
   OTHER Unexpected Gas Break-out

9. WATER DEPTH: 5641 FT.

10. DISTANCE FROM SHORE: 110 MI.

11. WIND DIRECTION: ESE
    SPEED: 6 M.P.H.

12. CURRENT DIRECTION: ESE
    SPEED: 1 M.P.H.

13. SEA STATE: 1 FT.
17. INVESTIGATION FINDINGS:

While drilling the 21 inch hole section with a mud weight of 9.0 ppg, a kick was taken at xxxx and the well was shut-in on the annular preventer. The well was then killed with 10.1 ppg Kill Weight Mud (KWM) with the drill string becoming stuck, worked free by jarring, then stripped up to xxxx ft where the well was Circulated and Conditioned (C&C) with the KWM. The drill string was stripped in the hole to xxxx, xxxx, xxxx and xxxx ft with the well C&C using the KWM at each depth. Cuttings where encountered, the mud weight increased to 10.3 ppg and the annular preventer opened with the well determined to be static. The drill string was pulled into the 22 inch Conductor Casing shoe at xxxx feet while the well was C&C. The drill string was then run to xxxx ft where the well was checked for flow and found to be static, then to xxxx ft where the hole was C&C before being washed and reamed to xxxx ft. When the fill from bottoms-up was approximately xxxx ft from surface, gas started to rapidly break out of the mud, the diverter was closed and returns were routed to the riser mud degasser. The surge from the gas breaking out of the mud pushed the mud up and out the mud degasser's vent line. The riser volume dropped approximately 68 feet (decrease of 180 barrels or 37 psi), with no additional open hole influx observed. The drill sting assembly consisted of an 18-1/8 inch bit with a 21 inch underreamer, with the underreamer located 95 ft above the bit. The well was killed through the underreamer since the bit was stuck in the hole, but once the drill string was unstuck all subsequent C&C of the hole occurred through both the bit and underreamer. Subsequent to tallying the mud volume, approximately 5 barrels could not be accounted for and was believed to be lost overboard.

18. LIST THE PROBABLE CAUSE(S) OF ACCIDENT:
Gas break-out is believed to have been occurred from the bottom 13 feet of hole fill when the well was C&C at approximately xxxx feet, even though the well bore was C&C multiple times with the well determined to be static.

19. LIST THE CONTRIBUTING CAUSE(S) OF ACCIDENT:
Mud parameters insufficient to control the gas influx.

20. LIST THE ADDITIONAL INFORMATION:
The mud contained 62% base oil for approximately 3.1 bbls of pollutant material.

21. PROPERTY DAMAGED:  NATURE OF DAMAGE:
None.  None.

ESTIMATED AMOUNT (TOTAL):  $

22. RECOMMENDATIONS TO PREVENT RECURRENCE NARRATIVE:
Due to the nature of this event, the Houma District has not recommendations to the GOMR Office.

23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT: NO

24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:

25. DATE OF ONSITE INVESTIGATION:

26. ONSITE TEAM MEMBERS: Ben Coco /

29. ACCIDENT INVESTIGATION PANEL FORMED: NO

OCS REPORT:

30. DISTRICT SUPERVISOR: Bryan A. Domangue

APPROVED
DATE: 21-OCT-2009
1. VOLUME: GAL 5  BBL

YARDS LONG X YARDS WIDE

APPEARANCE: RAINBOW SHEEN

2. TYPE OF HYDROCARBON RELEASED:  

☐ OIL

☐ DIESEL

☐ CONDENSATE

☐ HYDRAULIC

☐ NATURAL GAS

☐ OTHER  synthetic based mud

3. SOURCE OF HYDROCARBON RELEASED: Mud-Gas Separator Vent Line

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