

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

1. OCCURRED

DATE: **01-FEB-2006** TIME: **0800** HOURS

2. OPERATOR: **Freeport-McMoRan Energy LLC**

REPRESENTATIVE: **Julie Bowen**

TELEPHONE: **(504) 582-4535**

3. LEASE: **G12362**

AREA: **MP** LATITUDE:

BLOCK: **299** LONGITUDE:

4. PLATFORM: **FP**

RIG NAME

5. ACTIVITY: EXPLORATION(POE)

DEVELOPMENT/PRODUCTION
(DOCD/POD)

6. TYPE: FIRE

EXPLOSION

BLOWOUT

COLLISION

INJURY NO. _____

FATALITY NO. _____

POLLUTION

OTHER _____

7. OPERATION: PRODUCTION

DRILLING

WORKOVER

COMPLETION

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 Failure to follow procedures

9. WATER DEPTH: **246** FT.

10. DISTANCE FROM SHORE: **18** MI.

11. WIND DIRECTION: **SE**

SPEED: **6** M.P.H.

12. CURRENT DIRECTION: **N**

SPEED: **3** M.P.H.

13. SEA STATE: **3** FT.

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

CITY: STATE:

TELEPHONE:

CONTRACTOR:

CONTRACTOR REPRESENTATIVE/
SUPERVISOR ON SITE AT TIME OF INCIDENT:

Edward Budron

CITY: **Jena** STATE: **LA**

TELEPHONE: **(337) 256-2114**

17. DESCRIBE IN SEQUENCE HOW ACCIDENT HAPPENED:

An oil sheen was observed coming from the FP Platform at Main Pass 299 at 0630 hours on February 1, 2006.

Pre-Incident Operating Conditions:

1) MP 299 FP has two separate production processing systems, which include two produced water treatment trains. One train processes produced water from Freeport-McMoRan's production (Float Cell 106) and the other is used to process production for Chevron (Float Cell 107).

2) Heat is used to aid in the oil/water separation process. One of the two heaters in the platform's hot-oil system has been out of service since 1/14/06. Due to the reduced capacity for heating, production processing capacity on the train has been restricted until the second heater is returned to service.

3) When cold treating, additional chemicals must be added to the gross production at the Chevron production platforms to enhance the ability to adequately separate the oil/water at the FP platform. The chemical vendor for Chevron has determined the optimum chemical formulation for this process but has determined the treatment capability is limited to a production rate of just above BPD oil. Accordingly, when cold treating Chevron's production is limited to no more than BPD oil.

Sequence of Events:

1) On January 31, 2006, the departing pipeline for the Chevron production began experiencing high pressure. Chevron was instructed to reduce their production, from approximately BPD to BPD.

2) After several hours of reduced production, pipeline pressure had dropped and Chevron was instructed at 1830 hours that they could slowly increase their production to the previous level of approximately BPD.

3) By 0630 hours on February 1, 2006, Chevron had increased their production to a rate in excess of the BPD. A sheen was spotted around the platform and operations began a search for the source of the sheen.

4) By 0800 hours it had been determined that the overboard water discharge from the Chevron train was the source of the sheen. It was also determined that Chevron's production flow rate was too high for adequate water treatment to occur. Chevron was instructed to curtail their production in order to stop the carry through of oil from the float cell and they immediately did so.

5) MMS personnel landed at FP at 0830 hours and advised that on their flight in they had observed the sheen extending up to six miles from the platform and having a width of approximately one mile. MMS estimated the final volume at approximately 10 bbls.

6) Platform personnel notified Freeport-McMoRan staff in New Orleans at 0915 and the oil spill response plan for Freeport-McMoRan was activated.

Freeport-McMoRan reported the sheen to the National Response Center (NRC Incident # 786920). Based on the various observations of sheen color and size received from the platform and MMS personnel, the initial estimates of the oil volume released ranged from two barrels to twenty-eight barrels. As a conservative measure, Freeport McMoRan reported the release as the highest of these estimates. Freeport McMoRan activated its Spill Management Team and their technical response consultant, O'Brien's Oil Pollution Services, Inc. (OOPS), to initiate spill mitigation measures. Weather forecasts and spill trajectory models were ordered, preparations for dispersant application were put into motion, on-water response vessels and support personnel were ordered and overflight arrangements were made which included Coast

Guard and NOAA personnel.

An overflight of the sheen area was conducted by the Coast Guard, NOAA and OOPS personnel to assess the volume of oil on the water and to determine that appropriate response actions to be taken. The assessment determined that the small quantity of oil found was non-dispersible and non-recoverable and that the quantity of oil released was probably less than one barrel. All response efforts were instructed to stand down at 1340 hour.

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

The cause of the sheen appears to be carry-through of entrained oil from the Float Cell 107 treating Chevron production. The issue in this instance is the absence of heat in the treatment system results in a need for greater retention time in the Float Cell.

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

Although Chevron water treatment specialists had identified an upper limit for production rates during cold treating, Chevron operating personnel exceeded this production limit without warning Freeport-McMoRan operations and the excessive production rate was not identified.

21. PROPERTY DAMAGED:

None

NATURE OF DAMAGE:

None

ESTIMATED AMOUNT (TOTAL):

\$

22. RECOMMENDATIONS TO PREVENT RECURRENCE NARRATIVE:

No Recommendations to MMS.

The New Orleans District concurs with the operator's recommendations to prevent recurrence as stated below:

1) Freeport-McMoRan will improve communications with Chevron production personnel regarding processing requirements. Freeport-McMoRan will request that Chevron provide notice to approval from Freeport-McMoRan for any production rate increases when cold treating.

2) When production rate increases occur during cold treating, Freeport-McMoRan operations personnel will monitor incoming production rates and observe samples of overboard water for a visible sheen on a one-to-two hour frequency in order to track flow increases and treatment efficiency until the final production rate is reached.

23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT: YES

24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:

E-100 Operator had carry over from (ABM 107) polluting Gulf Waters
P-470 LSH failed on ABM 107 causing pollution event.

25. DATE OF ONSITE INVESTIGATION:

01-FEB-2006

26. ONSITE TEAM MEMBERS:

Phillip McLean / Robert Neal /

29. ACCIDENT INVESTIGATION

PANEL FORMED: NO

OCS REPORT:

30. DISTRICT SUPERVISOR:

FPausina for TTrosclair

APPROVED

DATE: 30-MAR-2006

POLLUTION ATTACHMENT

1. VOLUME: GAL 28 BBL
10560 YARDS LONG X 1760 YARDS WIDE

APPEARANCE: RAINBOW SHEEN

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

3. SOURCE OF HYDROCARBON RELEASED: Overboard Float T Cell A-Train. Oily water from over producing.

4. WERE SAMPLES TAKEN? NO

5. WAS CLEANUP EQUIPMENT ACTIVATED? YES

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

6. ESTIMATED RECOVERY: 0 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