1. OCCURRED

DATE: 03-JUL-2006 TIME: 0730 HOURS

2. OPERATOR: Kerr-McGee Corporation
   REPRESENTATIVE: Kevin Verrett
   TELEPHONE: (281) 673-7520
   CONTRACTOR:
   REPRESENTATIVE:
   TELEPHONE:

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

4. LEASE: G17407
   AREA: GB LATITUDE: 
   BLOCK: 668 LONGITUDE: 

5. PLATFORM: A-Gunnison Spar
   RIG NAME:

6. ACTIVITY: □ 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: 0
   □ POLLUTION
   □ FIRE
   □ EXPLOSION

8. CAUSE:
   □ EQUIPMENT FAILURE
   □ HUMAN ERROR
   □ EXTERNAL DAMAGE
   □ SLIP/TRIP/FALL
   □ WEATHER RELATED
   □ LEAK
   □ UPSET H2O TREATING
   □ OVERBOARD DRILLING FLUID
   □ OTHER parted chemical injection line

9. WATER DEPTH: 3150 FT.

10. DISTANCE FROM SHORE: 158 MI.

11. WIND DIRECTION: E
    SPEED: 8 M.P.H.

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

13. SEA STATE: 3 FT.
A sheen was observed at 0730 hours on 7/03/06. The sheen observed was approximately 100 feet x 300 feet and located about 1.5 miles east of GB 668-A. Personnel were flushing the line and injecting wax inhibitor. It was speculated to possibly be a parted subsea chemical injection line feeding GB625 well number 2. The well was shut-in, and the stainless steel chemical injection line valve at the well was closed. The sheen disappeared about 1030 hours same day.

The chemical was NALCO Wax Inhibitor product called EC6494A. Release of the chemical on July 3, 2006, was diluted rapidly in the ocean and evaporated on the surface within approximately one hour. The concentration of the chemical in the ocean is not expected to have caused any harmful effects to aquatic organisms.

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

A faulty weld in the subsea umbilical termination assembly.

19. LIST THE CONTRIBUTING CAUSE(S) OF ACCIDENT:
21. PROPERTY DAMAGED:
   Chemical injection line

   NATURE OF DAMAGE:
   parted chemical injection line

   ESTIMATED AMOUNT (TOTAL):   $3,000

22. RECOMMENDATIONS TO PREVENT RECURRANCE NARRATIVE:
   The Lake Jackson District had no recommendations.

23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT:   NO

24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:

25. DATE OF ONSITE INVESTIGATION:
    09-JUL-2006

26. ONSITE TEAM MEMBERS:
    Henry Hite /

29. ACCIDENT INVESTIGATION
    PANEL FORMED:   NO

    OCS REPORT:

30. DISTRICT SUPERVISOR:
    Ed. Smith

    APPROVED
    DATE:   14-AUG-2006