DEFARIWENT OF THE INTERIOR OMB Control Number 1010-0114 OMB Approval Expires: December 31, 2013 Page of NOTIFICATION OF INCIDENT(S) OF NONCOMPLIANCE Date 5-Mar-13 Time (24 HR clock) You are hereby ordered to correct the identified Incident(s) of Noncompliance (INC) listed below. You have the right to appeal any INC Notification in accordance with Title 30 CFR Part 290. You must file your appeal in the office of BSEE Rep. (Print Last Name the official issuing this Notification. However, the filing of an appeal will not suspend the requirement to comply with this Notification. Domangue BSEE Office Address Lease No. Area and Block Facility/Rig and Well No. Complex ID No. Department of the Interior **BSEE Houma District** 00071 PL 11 20806 Post Office Box 760 Lease Operator (Print) Drill, Prod, P/L Contractor (Print) Turnkey Company (Print) Bourg, La. 70343-0760 Island Operators Co., Inc. S - Facility Shut-in **Enforcement Action:** W - Warning C - Component Shut-in PINC Enf. INC Description and any Special Orders (shut-in of operations, facility, wells, etc.) Authority Date Action 30 CFR Potential INC/PINC Guidelines at http://www.bsee.gov/regcompliance/inspect.html Corrected G-110 C 250.107 Island failed to perform all operations in a safe and workmanlike manner when: (a)(1)· Personnel attempted an improprer transfer of chemicals using a crane to raise one portable chemical tank filled with chemicals above another portable chemical tank that would receive the chemicals. The chemicals overflowed, causing a chemical fire and damage to the platform; and One Island employee (was operating crane) left his position after the chemical transfer had begun, which led to a chemical fire and damage to the platform. Submit a letter of explanation to the Houma District explaining how the above incident occurred and what will be done to prevent future incidents. **BSEE** Representative Operator Representative

BSEE Representative

An Bryan A. Domangue

Signature by AGW

Print Last Name

Signature

Date

The operator must insert in the "Date Corrected" column the date each INC was corrected; sign and date the green copy of this form; and return it to the BSEE office identified above no later than 14 DAYS from the date of issuance. If the green copy cannot be returned within the allotted time, the operator must obtain a waiver from the appropriate BSEE office. This process should ensure that onshore operator management is aware and acknowledges that INCs were issued on this facility, on this date, but in no way delays any enforcement action taken. Unless specifically ordered otherwise, the operator representative must correct and inspect all components and facility shut-in INCs identified

and notify the issuing BSEE office before returning to operations.

Manager/Supervisor: I certify each Incident of Noncompliance listed above has been corrected on the corresponding date, and I understand that the submission of false statements to the United States is a criminal offense under 18 U.S.C. Section 1001.

Print Last Name Signature Dat

Small Business Statement: Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and ten Regional Fairness Boards were established to receive comments from small businesses about federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the actions of BSEE, call 1-888-REG-FAIR (1-888-734-3247). You may comment to the Small Business Administration without fear of retaliation. Disciplinary action for retaliation by an BSEE employee may include suspension or termination from employment with the Department of the Interior.

Paperwork Reduction Act of 1995 (PRA) Statement: The PRA (44 U.S.C. 3501 et seq.) requires us to inform you that BSEE collects this information to ensure that facility management is knowledgeable of the incident of non-compliance issued; corrective action is taken in a reasonable period of time; and for component or facility shut-in enforcement actions, that the identified component or facility is not returned to operation without the prior notice to the appropriate BSEE office. Responses are mandatory (43 U.S.C. 1331 et seq.) No proprietary information is collected. An agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB Control Number. Public reporting burden for this form is estimated to average 2 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. You may direct comments regarding the burden estimate or ar of this form to the Information Collection Clearance Officer, Bureau of Safety and Environmental Enforcement, 381 Elden Street, Herndon, VA 20170.