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

1. OCCURRED
   DATE: 13-NOV-2007 TIME: 1000 HOURS
   STRUCTURAL DAMAGE
   CRANE
   OTHER LIFTING DEVICE
   DAMAGED/DISABLED SAFETY SYS.
   INCIDENT >$25K
   H2S/15MIN./20PPM
   REQUIRED MUSTER
   SHUTDOWN FROM GAS RELEASE
   OTHER

2. OPERATOR: Shell Offshore Inc.
   REPRESENTATIVE: DiCarlo, Theresa
   TELEPHONE: (504) 728-6237
   CONTRACTOR:
   REPRESENTATIVE: Speers, Kevin
   TELEPHONE: (713) 232-8455
   OTHER

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

4. LEASE: G19967
   AREA: MC LATITUDE: 
   BLOCK: 568 LONGITUDE:

5. PLATFORM:
   RIG NAME: T.O. DEEPWATER NAUTILUS

6. ACTIVITY: [ ] EXPLORATION (POE)
   [X] 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
   [ ] HISTORIC
   [ ] >$25K
   [ ] <=$25K

8. CAUSE:
   [X] EQUIPMENT FAILURE
   [ ] HUMAN ERROR
   [ ] EXTERNAL DAMAGE
   [ ] SLIP/TRIP/FALL
   [ ] WEATHER RELATED
   [ ] LEAK
   [ ] UPSET H2O TREATING
   [ ] OVERBOARD DRILLING FLUID
   [ ] OTHER

9. WATER DEPTH: FT.

10. DISTANCE FROM SHORE: MI.

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

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

13. SEA STATE: FT.
17. DESCRIBE IN SEQUENCE HOW ACCIDENT HAPPENED:

On November 13, 2007, at Shell Offshore Inc.'s, Lease OCS-G 19967, Mississippi Canyon (MC) Block 586, while offloading a cargo basket of drilling tools weighing approximately 16,500 lbs. from the OSV Mr. Henry into Transocean's Deepwater Nautilus's riser bay, the crane hoist control received an electronic overload fault signal and the load dropped 4 feet to deck. Employees were using tag lines and were clear of the dropped basket. No injuries. No damage to deck or crane, and minor damage to drilling tools. The crane has been taken out of service and investigation is underway to determine why overload fault activated prematurely (the weight of the load did not approach operating limit of crane).

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

Investigation Results:
Due to a previous electronic malfunction of the starboard crane's main block weight indicator, a temporary repair had been instituted prior to this incident whereby the main block's weight indicator signal was simulated using a spare output from the fast line weight indicator. This repair allowed continued operation of the fast line while the main block was out of service and awaiting permanent repairs. During a subsequent fast line lift, which resulted in the incident, the crane's computer factored both the actual fast line load and the simulated load of the out-of-service main line. This resulted in the computer perceiving the crane as being overloaded and the activation of the Gross Overload Protection (GOP) system. Once the GOP system activated, the crane automatically lowered the load back onto the deck. Operations and Maintenance personnel were not aware of the potential to activate the GOP system as a result of the temporary repairs.

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

20. LIST THE ADDITIONAL INFORMATION:
21. PROPERTY DAMAGED:  
Drilling Tools

22. RECOMMENDATIONS TO PREVENT RECURRANCE NARRATIVE:

The New Orleans District makes no recommendations to MMS.

The New Orleans District concurs with the operator's recommendations to prevent recurrence.

Training was conducted with all operators and maintenance personnel.
Rig operating and maintenance procedures were revised.
An information sharing/lessons learned document was drafted and disseminated throughout the organization.

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:
No onsite investigation /

29. ACCIDENT INVESTIGATION PANEL FORMED:  NO

OCS REPORT:

30. DISTRICT SUPERVISOR:
Troy Trosclair

APPROVED

DATE: 19-JAN-2008