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

1. OCCURRED
   DATE: 06-MAY-2005  TIME: 0945  HOURS

2. OPERATOR: SPN Resources, LLC
   REPRESENTATIVE: Bea Strong
   TELEPHONE: (281) 578-3388

3. LEASE: G01612
   AREA: SP  LATITUDE: ___
   BLOCK: 67  LONGITUDE: ___

4. PLATFORM: A
   RIG NAME

5. ACTIVITY: [X] DEVELOPMENT/PRODUCTION (DOCD/POD)
   [ ] EXPLORATION (POE)

6. TYPE: [X] POLLUTION
   [ ] FIRE
   [ ] EXPLOSION
   [ ] BLOWOUT
   [ ] COLLISION
   [ ] INJURY NO. ___
   [ ] FATALITY NO. ___

7. OPERATION: [X] PRODUCTION
   [ ] DRILLING
   [ ] WORKOVER
   [ ] COMPLETION
   [ ] MOTOR VESSEL
   [ ] PIPELINE SEGMENT NO. ___
   [ ] OTHER

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: 258 FT.
10. DISTANCE FROM SHORE: 9 MI.
11. WIND DIRECTION: NW
    SPEED: 15 M.P.H.
12. CURRENT DIRECTION: SE
    SPEED: 3 M.P.H.
13. SEA STATE: 2 FT.
16. OPERATOR REPRESENTATIVE/
    SUPERVISOR ON SITE AT TIME OF INCIDENT:
    Eddie Cofield
    CITY: Houston  STATE: TX
    TELEPHONE: (281) 784-7927

    CONTRACTOR: Production Management Industries, L.L.C.

    CONTRACTOR REPRESENTATIVE/
    SUPERVISOR ON SITE AT TIME OF INCIDENT:
    James Kyzar
    CITY: New Iberia  STATE: LA
    TELEPHONE: (337) 492-8000

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EV2010R  12-JUL-2005
17. DESCRIBE IN SEQUENCE HOW ACCIDENT HAPPENED:

At approximately 9:45 a.m. an operator from "C" platform called the field foreman and reported a sheen coming from SP 67 "A" platform. The field foreman called J. Conner Consulting to make the required pollution notifications. This was estimated to be approximately 1 mile long by 20 yards wide. This estimate was made from the C" Platform and would be confirmed when the operator arrives on the platform.

At 10:25 a.m. the operator arrives on the platform and noticed the body of the fluid transfer pump was cut out from sand production and leaking on the deck. The skid drain for the pump was stopped up with sand causing the oil to spill over the containment area onto the deck. The operator then shut down the pump which stopped the pollution source. The operator then called back to give the new dimensions and appearance of the oil spill (2 miles long by 40 yards wide. 80% silvery and 20% slightly colored.

At 10:35 a.m. MMS inspectors working on SP 60 B/E platform inquired about the sheen and requested transportation to SP 67 "A" platform.

At 10:45 a.m. The USGC called for an update and spill volume.

At 10:50 a.m. J. Connor Consulting recalculated the volume of spill to be 2.7 gals of oil. This volume was reported to USCG.

At 11:00 a.m. MMS inspectors took the operator's field boat to investigate the oil spill.

At 11:15 a.m. MMS inspectors arrived on the platform. After a walk thru investigation was performed the Platform was shut-in by the inspectors due to safety and environmental hazards listed below:

1. There was no automatic sump pump on the sump tank
2. There was no automatic LSH or LSL on the sump discharge receiving tank.
3. Clean Platform of oil (Decking, Legs, and Vessels).
5. Repair one section of handrail on the top deck and one on the casing deck.
7. Need primary and secondary means of escape.

Clean up and construction crews were immediately dispatched to correct the noted safety and environmental hazards.

Findings:

The excessive sand production was from well A-001.
The deck drain filter screen was plugged with sand allowing the oil to spill into Gulf waters.
The deck under the fluid transfer pumps were severely rusted and pitted. (possible leak source)
Prior to the pollution event the operator did not know how much sand, Well A-001 produced.

The operator had a pollution event on this same facility several days earlier, due to a pump seal failure on the second transfer pump. Possibly this seal was also sand cut.

At 3:15 p.m. MMS inspectors performed a pollution flight. The slick measured 3.5 miles long by 60 yards wide with 65% silver color 35% being dark. The slick volume calculated out to be 1.67 bbls. This corrected volume was used by the operator and later reported to USCG.
On May 9, 2005 the operator met with the New Orleans District to discuss the cause of the pollution event and corrective actions. Due to excessive sand production from well A-001 the operator was notified that before production could resume the operator shall UT test all related equipment that was exposed to sand production. Also the operator shall verify that the pitted and rusty deck would provide adequate containment.

On May 11, 2005 the operator hired The Nondestructive and Destructive Testing Company to perform the UT test. All related equipment tested to operation specs. The operator also filled the pitted and rusty deck with water with no apparent leak visible. This test was also witnessed by MMS inspectors.

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

The deck drain filters were clogged with sand allowing oil to spill overboard and pollute gulf waters.

Produced sand passing through a centrifugal pump over time wore the pump housing thin causing it to burst when pressured up leaking oil on the deck.

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

Operator failed to take the proper and necessary precautions such as initiating a shake out program and monitoring related equipment involved with produced sand, thus causing equipment failure resulting in pollution.
21. PROPERTY DAMAGED: Transfer Pump
   NATURE OF DAMAGE: Pump destroyed by sand.

   ESTIMATED AMOUNT (TOTAL): $4,200

22. RECOMMENDATIONS TO PREVENT RECURRENCE NARRATIVE:
   No recommendations to MMS.
   The New Orleans District concurs with SPN Resources recommendations to prevent recurrence as stated below:
   Well A-001 will remain shut-in until a sand solution has been discussed and approved.
   Well will be checked for sand production by means of shake out flask.

23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT: YES

24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:
   E-102 Drains necessary to collect contaminants were clogged with sand
   E-100 Lessee did not prevent pollution of offshore waters.
   E-112 Platform housekeeping is in unsafe condition.

25. DATE OF ONSITE INVESTIGATION:
   06-MAY-2005

26. ONSITE TEAM MEMBERS:
   Justin Josey / Dave Emilen /

29. ACCIDENT INVESTIGATION
   PANEL FORMED: NO

   OCS REPORT:

30. DISTRICT SUPERVISOR:
   Troy Trosclair
   APPROVED
   DATE: 27-JUN-2005
### POLLUTION ATTACHMENT

1. **VOLUME:**
   - **GAL:** 1.67
   - **BBL:**

2. **6160 YARDS LONG X 60 YARDS WIDE**
   - **APPEARANCE:** **DARK BROWN**

2. **TYPE OF HYDROCARBON RELEASED:**
   - □ OIL
   - □ DIESEL
   - □ CONDENSATE
   - □ HYDRAULIC
   - □ NATURAL GAS
   - □ OTHER

3. **SOURCE OF HYDROCARBON RELEASED:**
   - **Plugged drain filters**

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