1. OCCURRED
   DATE: 23-NOV-2005  TIME: 1930  HOURS

2. OPERATOR: BP Exploration & Production Inc.
   REPRESENTATIVE: Mr. Jim Spizale
   TELEPHONE: (713) 232-8262
   CONTRACTOR: Transocean Offshore
   REPRESENTATIVE: Mr. Van Williams
   TELEPHONE: (713) 232-8262

3. OPERATOR/CONTRACTOR REPRESENTATIVE/SUPervisor
   ON SITE AT TIME OF INCIDENT:
   Mr. Jamie Morrison

4. LEASE: G18194
   AREA: MC  LATITUDE: 126
   BLOCK: 126  LONGITUDE:

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

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
   ☑ POLLUTION
   ☐ FIRE
   ☐ EXPLOSION
   ☐ LWC
     HISTORIC BLOWOUT
     UNDERGROUND
     SURFACE
     DEVERTER
   ☐ SURFACE EQUIPMENT FAILURE OR PROCEDURES

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

9. WATER DEPTH: 4304 FT.

10. DISTANCE FROM SHORE: 55 MI.

11. WIND DIRECTION: NE
    SPEED: 37 M.P.H.

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

13. SEA STATE: 14 FT.
17. DESCRIBE IN SEQUENCE HOW ACCIDENT HAPPENED:

November 21, 2005 at 1500 hrs - Well had 60 bbls loss. No broaching at mudline observed by ROV. Discharge of 59 bbls of SBM occurred as a result of loss of casing connectivity. With an unintentional back-off of both the 36" and 20 x 22" casing strings, the Synthetic Base Mud (SBM) inside the 20 x 22' casing string was broached to the seafloor during diagnostic and P&A operations. The following efforts were made to minimize losses to seafloor:

(1) Immediate shut-in of blind rams when investigate original losses.  
(2) Displacement of choke, kill & riser to seawater prior to opening up.  
(3) Placement of P&A cement plug to minimize volume of SBM to be displaced while pumping job.  
(4) Immediate securing of well by P&A.

November 23, 2005 at 1930 hrs - Displace mud from casing during P&A cement plug setting operations. Lost 286 bbls of SMB.

A total volume of 345 bbls of whole mud was lost in the Gulf of Mexico. Sixty percent or 212 bbls of mud was base synthetic oil.

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

(A) Inadequate make-up torque on casing.  
(B) Poor cement job on surface casing string.

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

(A) Possible poor alignment of rig.
ESTIMATED AMOUNT (TOTAL): $72,629

22. RECOMMENDATIONS TO PREVENT RECURRANCE NARRATIVE:

No recommendations to MMS.

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

Recommendations to preclude any future incident of this type:
(1) Increase make-up torque to maximum torque.
(2) Increase % excess cement on primary cement job for surface casing.
(3) Limit rig heading changes to emergency repositioning after stack is latched.
(4) Continued investigation into fluid-bearing break-out torques and re-evaluation of connector torques-resistance design.

23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT: NO

24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:

25. DATE OF ONSITE INVESTIGATION:

29-NOV-2005

26. ONSITE TEAM MEMBERS:

29. ACCIDENT INVESTIGATION PANEL FORMED: NO

OCS REPORT:

30. DISTRICT SUPERVISOR:

Troy Trosclair

APPROVED

DATE: 16-FEB-2006