UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT
GULF OF MEXICO REGION

ACCIDENT INVESTIGATION REPORT

For Public Release

1. OCCURRED
   DATE: 03-MAR-2013 TIME: 0630 HOURS

2. OPERATOR: Flextrend Development Company, L.L
   REPRESENTATIVE: TELEPHONE:
   CONTRACTOR: Enterprise Products Partners L.
   REPRESENTATIVE: TELEPHONE:

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

4. LEASE: G09743
   AREA: VK LATITUDE: 29.166674
   BLOCK: 817 LONGITUDE: -88.455856

5. PLATFORM:
   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
   POLLUTION
   FIRE
   EXPLOSION
   LWC
   HISTORIC BLOWOUT
   UNDERGROUND
   SURFACE
   DEVERTER
   SURFACE EQUIPMENT FAILURE OR PROCEDURES
   COLLISION
   HISTORIC
   >$25K
   <=$25K

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

9. WATER DEPTH: 673 FT.

10. DISTANCE FROM SHORE: 34 MI.

11. WIND DIRECTION: SW
    SPEED: 20 M.P.H.

12. CURRENT DIRECTION:
    SPEED: 5 M.P.H.

13. SEA STATE: 5 FT.
17. INVESTIGATION FINDINGS:

According to the on-site Enterprise Foreman, the Night Operator found a high water level in the Wet Oil Tank (ABJ 300). He manually opened a 2" valve to drain or pull the water off the bottom of the tank and into the containment skid, which drains to the Open Drain Sump (ABH 630) on the next level below. The Enterprise Foreman alleges that the Night Operator left the valve unattended. Eventually, water and hydrocarbons put a level in the Open Drain Sump, which began dumping liquids to the open bottom Sump Pile (ABH 670) down at the +10 Level. As the oil column or oil pad inside the Sump Pile increased, and with the 3-5' wave actions, the oil began to seep out the bottom of the sump into the Gulf waters, creating a sheen. As the Sump Pump was not able to keep up with the volume of oil level building up, the sump activated the Level Safety High (LSH) and shut the platform in. Also, Operators noticed oil dripping from overhead, on top of the Open Drain Sump, and on the pipelines skid from possible corrosion leaks. The incident was called in and reported to the United States Coast Guard (USCG) at 07:00 a.m. and given a National Response Center (NRC) No. 103992.

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

*Using the containment skid and drain piping of the Wet Oil Tank as a means of eliminating produced water from the Wet Oil Tank. There was a pneumatic pump in-place to pump the water back through the Oil Heater Treater (NBK 260) keeping it contained in the process flow procedures.

*The opened valve on the Wet Oil Tank was left unattended for a period of time until the Sump Pile high leveled-LSH.

*The Micro-Filter upstream of the inlet into the Open Drain Sump plugged up with sand causing a drainage backup filling the lines with oil and exposing several other external piping leaks.

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

It was noted in a statement that the Person In Charge (PIC), was instructed, upon his crew change arrival offshore on Wednesday, February 27th, to release/fire the Night Operator due to his disregarding of many of his duties and responsibilities. The Night Operator, an employee for Black Hawk/Enterprise Products, had been on location for only 3 months. However, the decision was made to allow him to finish out his hitch, then, send him in at the next crew change. After the pollution incident happened on Sunday, March 3rd, he was released/fired that day.

20. LIST THE ADDITIONAL INFORMATION:

Note: Another Incident NRC #1039982 report was called in to the USCG the next day, March 4, 2013 after midnight, anonymously, reporting that the information giving concerning NRC #1039932 had been falsified. The caller reported that the crude oil discharged from a 2" (discharge line) piping coming from the Sump Pile. One of the major holes was in the raptors above the pump. The reporting source stated that sand blasting had been recently done and that hole in the piping is where the majority of the product came from. The other hole that was leaking was over the Close Drain Sump. The caller reported that the Operators were directed to change/falsify the initial cause and quantity of oil discharged. The caller reported that approximately 50-100 gallons (possibly more) of crude oil discharged from and around this line. The reporting source specified that he made his statement to what initially occurred and the report was taken in the office and changed.
BSEE has not found evidence of reports being changed or falsified.

No property damaged as a result of this incident. Flextrend had the services of Owens & Kritikos, Inc. on location 3 days earlier to B-Scan (Ultrasonic Inspection) the bottom of the Open Drain Sump and discharge piping and a visual follow up from their 2012 inspection. Replacement plans were being scheduled. However, a pollution incident was reported indicating a volume of oil from 1 gallon to 100+ gallons.

Flextrend has ordered blind flanges to blind off the block valves at the bottom of the Wet Oil Tank. The Sump Pile has been pumped down to hold the minimal amounts of hydrocarbons and Flextrend has shut in the platform until repairs are made and approvals are granted. Also, the Night Operator who decided to use this method to pull the water off the bottom of the tank has been terminated.

21. PROPERTY DAMAGED: None
   NATURE OF DAMAGE: N/A

ESTIMATED AMOUNT (TOTAL): $

22. RECOMMENDATIONS TO PREVENT RECURRANCE NARRATIVE:

The BSEE New Orleans District makes no recommendations to the Agency.
23. POSSIBLE OCS VIOLATIONS RELATED TO ACCIDENT: YES

24. SPECIFY VIOLATIONS DIRECTLY OR INDIRECTLY CONTRIBUTING. NARRATIVE:

G-110 issued on 3-7-2013 for Flextrend's failure to perform all operations in a safe workmanlike manner to protect the environment. The Wet Oil Tank was drained of excessive produced water into the containment skid by use of a manually opened 2" block valve, which was left unattended. This allowed water and oil to drain down into the open bottom Sump Pile, causing a sheen in the Gulf of Mexico waters.

G-111 issued on 3-7-2013 for Flextrend's failed to maintain its drainage piping system in a safe condition to provide for the protection of the environment. During the draining of produced water and oil into the Wet Oil Tank containment piping system, a sand plug caused a flow back-up in the piping thus exposing several other external oil leaks requiring temporary pipe clamps and patches.

E-100 issued on 3-7-2013 for Flextrend's failure to prevent the discharge of hydrocarbons/oil into the offshore waters of the Gulf of Mexico.

25. DATE OF ONSITE INVESTIGATION: 07-MAR-2013

26. ONSITE TEAM MEMBERS: Gerald Taylor / Otho Barnes / John Calvin / Jason Screws USCG /

29. ACCIDENT INVESTIGATION PANEL FORMED: NO

30. DISTRICT SUPERVISOR: David Trocquet

APPROVED DATE: 19-MAR-2014

INJURY/FATALITY/WITNESS ATTACHMENT

X OPERATOR REPRESENTATIVE    □ INJURY
□ CONTRACTOR REPRESENTATIVE   □ FATALITY
□ OTHER ______________________ □ WITNESS

NAME: __________________________
HOME ADDRESS: __________________

MMS - FORM 2010    PAGE: 4 OF 6
EV2010R    11-APR-2014
CITY:                  STATE:
WORK PHONE:            TOTAL OFFSHORE EXPERIENCE:     YEARS

EMPLOYED BY:
BUSINESS ADDRESS:
CITY:                  STATE:
ZIP CODE:
1. VOLUME: 13.44 GAL BBL

YARDS LONG X YARDS WIDE

APPEARANCE: BARELY VISIBLE

2. TYPE OF HYDROCARBON RELEASED: [X] OIL
   [ ] DIESEL
   [ ] CONDENSATE
   [ ] HYDRAULIC
   [ ] NATURAL GAS
   [ ] OTHER

3. SOURCE OF HYDROCARBON RELEASED: 2" drain valve on the Wet Oil Tank (ABJ 300)

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