

Civil Penalties Program

The goal of the BSEE OCS Civil Penalties Program is to assure safe and clean operations on the OCS. Through the pursuit, assessment, and collection of civil penalties and referrals for the consideration of criminal penalties, the program is designed to encourage compliance with OCS statutes and regulations.

2016 Civil Penalties Summary Penalties Paid for 2016 (1/1/2016 - 12/31/2016)

Operator Name and Case No.	Violation and Date(s)	Penalty Paid and Date Paid	Regulation(s) Violated 30 CFR
Fieldwood Energy LLC G - 2015 - 012	During the course of a BSEE inspection, BSEE Inspectors discovered that abandonment operations were not being performed in a safe and workmanlike manner, as the heliport was being utilized as an extension of the platform to conduct abandonment operations without the addition of perimeter barricades. Additionally, BSEE Inspectors observed personnel on the heliport working without the use of fall protection. February 21, 2015 - February 27, 2015	\$140,000 1/15/2016	250.107(a)
Chevron U.S.A. Inc. G - 2015 - 28	Failure to correct and take appropriate actions for failed casing pressure test and Surface Controlled Subsurface Safety Valve leakage rate test on their well. June 20, 2014 - June 11, 2015 (2 Violations)	\$149,520 2/24/2016	250.804(a)(1)(i) 250.525
GOM Shelf LLC G - 2015 - 034	During the course of an inspection, BSEE Inspectors discovered an open hole, created by missing grating. The hole was not properly barricaded to protect personnel from entering the hazardous area. September 15 - September 17, 2015	\$30,000 3/22/2016	250.107(a)(1)

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Energy XXI GOM, LLC G - 2015 - 21	During the course of an inspection, BSEE Inspectors discovered the purge alarm in the Mud Engineer's shack was found in bypass during drilling operations. January 31, 2013	\$25,000 3/23/2016	250.107(a)(1)
Fieldwood SD Offshore LLC G - 2015 - 26	While bringing the platform back online, an incident occurred that caused a fire and damage to equipment. According to the investigation findings, as the workers were bringing the platform back online, the top blew off of the fuel gas filter, and a fire ignited from the hydrocarbons coming out of the vessel. May 9, 2015 (2 Violations)	\$80,000 3/24/2016	250.107 250.803(b)(1)(i)
Stone Energy Corporation G-2012-024	During the course of a BSEE inspection of simultaneous operations on April 19, 2012, the inspectors discovered that an actuator associated with the shutdown valve (SDV) on a 4 inch bi-directional pipeline, which delivers gas-lift gas to the facility was venting an excessive amount of natural gas to the atmosphere from a vent tube. April 12, 2012 - April 19, 2012	\$200,000 3/28/2016	250.107

Operator Name and Case No.	Violation and Date(s)	Penalty Paid and Date Paid	Regulation(s) Violated 30 CFR
Energy Resource Technology GOM, Inc G-2014 - 008	<p>During the course of a BSEE investigation into a loss of well control resulting in the uncontrolled release of hydrocarbons, BSEE discovered the operator failed to: (1) prevent the unauthorized discharge of pollutants into offshore waters ;(2) maintain the casing of the well in a safe condition; (3) follow the approved procedures and after deviation of the procedures failed to submit an amended procedure for approval.</p> <p>June 27, 2013 - July 7, 2013 (1 Violation) July 8, 2013 (1 Violation) July 7, 2013 - July 11, 2013 (1 Violation)</p>	\$300,000 4/1/2016	250.1712 250.107(a) 250.107
Tarpon Operating & Development, L.L.C. G – 2015 - 025	<p>During the course of a BSEE Inspection, BSEE inspectors discovered an improperly barricaded open hole.</p> <p>June 18, 2015 - June 19, 2015</p>	\$60,000 4/20/2016	250.107(a)
GOM Shelf LLC G – 2015 - 016	<p>During the course of a BSEE inspection, BSEE inspectors discovered the SSV for well L-12 failed to close during the ESD and a function test of the Sump Pump was initiated by the facility operators by simulating a high level in the Sump. When the high level was sensed by the sump's level controller, the gas supply line for the pump became disconnected and the Sump Pump failed to activate.</p> <p>October 21, 2014 (2 Violations)</p>	\$25,000 4/22/2016	250.300(b)(4) 250.803(c)

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Apache Corporation G – 2015 - 024	During the course of a BSEE inspection, BSEE inspectors discovered that the crane was found to have deficiencies with hydraulic leaks, boom winch leaks, corrosion on the boom tip, main hoist winch and aux winch cable had been improperly installed causing improper spooling of drum. June 5, 2015 - June 10, 2015	\$120,000 4/28/2016	250.108
Walter Oil & Gas Corporation G – 2016 - 001	While performing well completion operations there was a loss of well control, due to the rig personnel's inability to properly maintain the completion fluid density that would have enabled them to detect a well bore influx in a timely manner. The loss of well control caused a fire and extensive damages to the rig structure. July 22, 2013 - July 23, 2013 (2 Violations)	\$222,000 5/26/2016	250.107(a) 250.107
Statoil Gulf of Mexico LLC G – 2015 - 036	After BSEE conducted an Investigation into a serious injury, BSEE discovered that the operator failed to perform all operations in a safe and workmanlike manner which resulted in the occurrence of injury to a floor hand on drilling rig while attempting to free a trapped carrier insert July 6, 2015	\$35,000 5/23/2016 (Received from ONRR In August 2016)	250.107(a)
Linder Oil Company, A Partnership G – 2016 - 002	During the course of a BSEE inspection, BSEE inspectors discovered that Guardrails were missing sections and other areas were in poor condition. Additionally, BSEE Inspectors discovered that the air hoist pedestal was missing 4 bolts, and remained in service and not downgraded from the marked rating. October 1, 2015 (2 Violations)	\$40,000 7/6/2016	250.107(a) 250.107(a)(2)

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Statoil USA E&P Inc. G – 2015 - 037	During the course of BSEE inspection, BSEE Inspectors discovered an open gate that led to unprotected / un-barricaded open hole. October 1, 2015	\$20,000 7/7/2016	250.107
Energy Resource Technology GOM, Inc. G – 2016 - 006	Failure to prevent unauthorized discharge of pollutants into the offshore waters. June 9, 2015	\$40,000 7/13/2016	250.300
Arena Offshore, LP G – 2015 - 020	An incident involving an injury occurred during back-reaming operations while tripping out of the hole. A Floor Man was struck on his right arm by a set of make-up tongs. May 10, 2015	\$40,000 7/13/2016	250.107(a)(1)
Apache Shelf, Inc. G – 2015 - 032	During the course of a BSEE inspection, BSEE inspectors discovered that Welding/burning operations were conducted within 10 feet of equipment containing flammable substances. August 28, 2015	\$20,000 7/14/2016	250.113(a)
Castex Offshore, Inc G – 2016 - 007	According to the investigation findings, operations personnel were bringing the platform back online after construction was conducted on the platform. The operations personnel left a needle valve closed that blocked the instrument supply gas, which rendered the level control valve on the Oil Treater inoperable. The oil level in the Oil Treater exceeded the LSH and caused an unauthorized discharge of approximately 25 gallons of oil into the GOM. November 5, 2015 (3 Violations)	\$95,000 7/19/2016	250.107(a) 250.802(a) 250.300

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Arena Offshore, LP G – 2015 - 027	A BSEE investigation revealed the lessee failed to perform all operations in a safe and workmanlike manner and failed to maintain all equipment / work areas in a safe condition, which resulted in a single joint elevators unlatched dropping pipe 25-30 feet striking the floorman. May 27, 2015	\$40,000 8/25/2016	250.107(a)
Castex Offshore, Inc. G - 2014 - 053	During the course of a BSEE inspection, BSEE discovered that the lessee failed to operate in a safe and workmanlike manner by (1) not updating and posting a revised well control drill plan incorporating the unapproved temporary HPU, accumulators, and two remote BOP control panels with the responsibilities/ assignment for each crew member in the event of a loss of well control event; and (2) not conducting a well control drill utilizing the unapproved temporary HPU, accumulators, and two remote BOP control panels that were installed and in service onboard the facility during drilling operations. August 1, 2014 - August 12, 2014	\$300,000 8/26/2016	250.107(a)
Ensco Offshore Co. G – 2014 - 028	During the course of a BSEE investigation into a drilling operations incident resulting in an injury, it was discovered that Ensco failed to operate in a safe and workmanlike manner by failure to follow safety procedures while installing the lift nubbin in a 7-inch casing. February 14, 2014	\$35,000 9/1/2016	250.107(a)

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<p>W & T Offshore, Inc. G – 2016 - 013</p>	<p>BSEE Inspectors observed a gas cloud, and a 1 mile long by a ¼ mile wide sheen coming from the platform. The Inspectors observed hydrocarbons leaking from a well bleed-port, and several areas on the platform covered in hydrocarbons. The platform operators were bleeding down the flowline of a well with no containment, and venting natural gas and hydrocarbons to the atmosphere and into the Gulf of Mexico.</p> <p>September 30, 2014 (2 Violations)</p>	<p>\$83,000 10/7/2016</p>	<p>250.107(a) 250.300</p>
<p>G - 2016 - 010 Northstar Offshore Group, LLC</p>	<p>BSEE Inspectors discovered hydrocarbons coming from the platform. Production operations were performing maintenance on the platform, and were not properly monitoring by-passed equipment. The Level Safety High could not detect a high level, and caused an unauthorized discharge of hydrocarbons into the Gulf of Mexico.</p> <p>December 14, 2015 (3 Violations)</p>	<p>\$78,750 10/31/2016</p>	<p>250.803(c) 250.803(c) 250.300</p>
<p>EnVen Energy Ventures, LLC G – 2016-022</p>	<p>During the course of an inspection, BSEE Inspectors observed an open hole that was not properly barricaded to protect personnel from entering the hazardous area</p> <p>May 5, 2016</p>	<p>\$26,250 11/15/2016</p>	<p>250.107(a)</p>

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W & T Offshore, Inc. G – 2016 - 019	During the course of an inspection, BSEE Inspectors discovered welding operations had been conducted within 35 feet of oil and mineral spirit storage drums, and near a wooden deck. The flammable material was not removed or protected with flame-proof covers. The Inspectors also observed severely corroded drums of chemicals, a leaking tote tank, and improper containment on the facility. March 2, 2016 (2 Violations)	\$52,000 12/2/2016	250.107 250.113(a)
Freeport-McMoRan Oil & Gas, LLC P-2015-002	During the course of an inspection, BSEE Inspectors discovered that prior to water blasting the deck around compressors, operator covered up three H2S detectors (XHS-6, XHS-8, and XHS-17) with plastic and tape thus rendering the devices inoperable, without prior variance from District Manager. October 27, 2014	\$10,000 12/6/2016	250.490(j)(5)(iii)
TOTAL PENALTIES PAID: 1/1/206 – 12/31/2016 25 Cases: \$2,256,520			