NOTIFICATION OF INCIDENT(S) OF NONCOMPLIANCE

You are hereby ordered to correct the identified Incident(s) of Noncompliance (INCs) listed below. You have the right to appeal any INC Notification in accordance with Title 30 CFR part 290. You must file your appeal in the office of the official issuing this Notification. However, the filing of an appeal will not suspend the requirement to comply with this Notification.

BSEE Office Address

BSEE HOUMA DISTRICT
3866 HIGHWAY 56
HOUMA, LA 70363

Enforcement Action:

<table>
<thead>
<tr>
<th>PINC No.</th>
<th>Enf. Action</th>
<th>Authority 30 CFR</th>
<th>INC Description and any Special Orders (shut-in of operations, facility, wells, etc.)</th>
<th>Potential INC/PINC Guidelines at</th>
<th>Date Corrected</th>
</tr>
</thead>
<tbody>
<tr>
<td>G-110</td>
<td>S</td>
<td>250.167(3)</td>
<td>On March 10, 2016 a Nobles Offshore Corporation employee (contracted by Whistle Energy II) was fatally injured while attempting to chip and wash cement out of the rig's poor-boy degasser. Although not identified as the cause of the incident due to the ongoing BSEE investigation, the rig crew entered the poor-boy degasser without an approved confined space permit and oversight on the facility did not stop or prevent this activity from taking place.</td>
<td><a href="http://www.bsee.gov/Inspection-and-Enforcement/Inspection-Programs/Inspection-Programs/">http://www.bsee.gov/Inspection-and-Enforcement/Inspection-Programs/Inspection-Programs/</a></td>
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NOTE: The rig has been shut down since the incident and drilling operations shall not proceed until BSEE Houma District grants approval.

A letter of explanation must be submitted to BSEE Houma District which describes the events that led up to the poor-boy degasser being filled with cement, starting with the well control event on (March 1, 2016) and coding with an explosion of the incident which resulted in the fatality on March 10, 2016.

The recipient must report the date each INC was corrected no later than 14 DAYS from the date of issuance. If you cannot report this within the allotted time, you must obtain a waiver from the appropriate BSEE office. This process should ensure that company management is aware and acknowledges that INCs were issued on this facility, on this date, but in no way delays any enforcement action taken.

The BSEE provides two options for reporting the resolution of the issues identified in the INC:

Option 1 - When available, you may use the BSEE-provided web-based “INC Response” system to report INC resolution within the required time period and/or request a time extension waiver. Only persons registered with BSEE and authorized to represent your company may use this service. Information about registering and using the web-based system is available at www.bsee.gov.

Option 2 - If the web-based system is not available, you must insert in the “Date Corrected” column the date each INC was corrected; sign and date a copy of this form; and return it to the BSEE office identified above no later than 14 DAYS from the date of issuance. If a copy cannot be returned within the allotted time, you must obtain an extension from the appropriate BSEE office.

Unless specifically ordered otherwise, the operator representative must certify that all component shut-in and facility shut-in INCs identified on this INC have been corrected.