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## **2014 BPXP Incidents of Non-Compliance Summary**

In 2014, BPXP had no Incidents of Non-Compliance with BOEM regulations and no Incidents of Non-Compliance with BPXP's probation under the Plea Agreement.

In 2014, BPXP was issued eight Incidents of Non-Compliance with BSEE regulations. Please refer to the Table titled *2014 BPXP List of Incidents of Non-Compliance (INCs) with BSEE Regulations* for the details and information specific to the 2014 annual list of incidents of non-compliance with BSEE regulations for which BPXP was cited, including corrective actions taken and penalties assessed.

**Table 1: 2014 BPXP List of Incidents of Non-Compliance (INCs) with BSEE Regulations**

Date Received	BSEE PINC Number*	BSEE PINC Statement*	Authority 30 CFR § 250.	Corrective Actions Taken	Penalty Assessed (If Applicable)
02/20/2014	P-451	Is each required PSV set at a pressure no higher than the maximum-allowable working pressure?	803(b)(1)(i); 804(b)	<p>The following corrective actions have been completed to correct a Pressure Safety Valve (PSV) that failed to activate within the required tolerances during an initial inspection test:</p> <ul style="list-style-type: none"> <li>Corrected on site - the PSV set point was reset and successfully retested with the BSEE inspectors onsite.</li> <li>Corrective action date was 02/20/2014.</li> </ul>	N/A
03/19/2014	G-115	Are operations conducted in accordance with approved applications?	414	<p>The following corrective actions have been implemented to correct concerns regarding communication with BSEE following multiple attempts to set a 9 7/8" packer:</p> <ul style="list-style-type: none"> <li>Informal and verbal communications with BSEE will be documented more rigorously and formally, including providing more documentation in the Wells Activity Reports.</li> </ul>	N/A
08/06/2014	D-309	Are all diverter pressure test, flow test, and actuation results recorded in the driller's report?	433	<p>The following corrective actions have been completed to ensure the frequency for conducting diverter function tests is as required:</p> <ul style="list-style-type: none"> <li>Discussions were held with the Rig Contractor and BPXP personnel to re-emphasize regulatory compliance expectations.</li> <li>BPXP Regulatory Team conducted detailed regulatory training with the crew.</li> <li>Use of BP compliance tracking tools was reinforced to BPXP personnel and the Rig Contractor Management.</li> </ul>	N/A
09/25/2014 **	D-256	Are annulars and ram BOP's function tested every 7 days between pressure tests?	449(h)	<p>The following corrective actions have been completed to correct a late function test of the BOP:</p> <ul style="list-style-type: none"> <li>Upon realizing that the blind shear rams had not been functioned within the 7 day allocated time frame required by regulation, BPXP contacted BSEE District Engineer and self-reported on 09/02/2014.</li> <li>BPXP notified the District that it would be functioning the blind shear rams in accordance with regulations and did so on the morning of 09/03/2014.</li> </ul>	N/A
09/25/2014 **	G-111	Does the lessee maintain all equipment in a safe condition to provide for the protection of the lease and associated facilities?	107	<p>The following corrective actions have been completed to correct a leak identified on the Barksdale valve on the accumulator unit:</p> <ul style="list-style-type: none"> <li>BPXP replaced the Barksdale valve on the accumulator unit on 09/30/2014.</li> <li>BPXP notified the Houma District Inspector on 10/01/2014 regarding the repair.</li> <li>BPXP is checking each valve outlet inside the tank daily for leaks.</li> </ul>	N/A

Date Received	BSEE PINC Number*	BSEE PINC Statement*	Authority 30 CFR § 250.	Corrective Actions Taken	Penalty Assessed (If Applicable)
11/04/2014 **	G-115	Are operations conducted in accordance with approved applications?	414(h)	<p>The following corrective actions have been completed to correct discrepancies in the conduct of approved procedures for Digital BOP Testing operations :</p> <ul style="list-style-type: none"> <li>• Training sessions covering the proper utilization of the Digital BOP system and BPXP's Alternative Procedure and Equipment for Digital BOP Test Rules were conducted with relevant personnel on the rig to maintain proper understanding of approved procedures.</li> <li>• Industry and supplier Digital BOP test specialists will be utilized on subsequent BOP tests to train and confirm understanding of field personnel.</li> <li>• Pressure readout discrepancies between the digital and circular charts have been reviewed along with confirmation of pressure indicator calibration certifications. For the high pressure tests described, all tests were above the test pressure requirement on either sensor and acceptable.</li> </ul>	N/A
11/04/2014 **	D-250	<p>Have all BOP system components been successfully tested to a low pressure of 200 psi to 300 psi prior to conducting high-pressure tests?</p> <p><i>[Note - BSEE approved BPXP's request for Alternative Compliance to conduct the low pressure test from 250 psi to 350 psi in accordance with API Standard 53 in the applicable Application for Permit to Drill].</i></p>	448(a)	<p>The following corrective actions have been completed to ensure successful testing of all BOP system components to a low pressure of 250 psi to 350 psi:</p> <ul style="list-style-type: none"> <li>• The pressure circular charts appeared to have reached 400 psi during bleed back, however, the more accurate digital pressure sensor did not go outside of the required 250 psi to 350 psi range.</li> <li>• The 15,000 psi circular charts have been placed into service on the rig. The 15,000 psi charts will be utilized for both the low and the high pressure tests of each test sequence, as requested by other BSEE Districts to maintain the test sequence on one chart.</li> </ul>	N/A
12/11/2014	E-100	Is the operator preventing unauthorized discharge of pollutants into offshore waters?	300(a)	<p>The following corrective actions have been completed in response to an iridescent sheen that was observed from the facility:</p> <ul style="list-style-type: none"> <li>• Following identification of the sheen, facility personnel began troubleshooting the produced water system and identified a potential upset in the separation system. Samples were collected for free oil (none found).</li> <li>• Adjustments were made to the chemical system and to the float cell. After these adjustments were made, the sheen dissipated and later was no longer visible.</li> <li>• Personnel obtained grab samples of the produced water discharge and found that the discharge was in compliance with the facility's NPDES permit limits for oil and grease.</li> </ul>	N/A

Notes: \* A further description of the Potential Incident of Non-Compliance (PINC) issued by BSEE by the PINC number can be found at the following website: <http://www.bsee.gov/Inspection-and-Enforcement/Enforcement-Programs/Potential-Incident-of-Noncompliance--PINC/>.

\*\*Multiple INCs were issued by BSEE during one inspection.

1. "INC" refers to Incident of Non-Compliance, which is a notice of alleged violation(s) of BSEE or BOEM regulations that is issued to BPXP.

2. Penalties assessed refer only to those BSEE penalties for 2014 INCs that were agreed and paid in 2014. Penalties may be agreed and paid in years subsequent to the year in which the INC was issued.

Acronyms:	BSEE	Bureau of Safety and Environmental Enforcement	NPDES	National Pollution Discharge Elimination System
API	CFR	Code of Federal Regulations	psi	Pounds per square inch
BOP	N/A	Not Applicable or Not Available	PSV	Pressure Safety Valve (pressure relief valve)