

**U.S. Department of
Homeland Security**

**United States
Coast Guard**



Commanding Officer
United States Coast Guard
Sector New Orleans

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16610

23 SEP 2008

Taylor Energy Company, LLC
Attn: William Pecue
1615 Poydras Street, Suite 500
New Orleans, LA 70112

Administrative Order Number 006-08

**Subj: TAYLOR ENERGY COMPANY, MISSISSIPPI CANYON BLOCK 20 (MC20)
PLATFORM "A"**

Under the Federal Water Pollution Control Act, I am authorized to issue orders as necessary to protect the public health, welfare, and the environment. I may exercise this authority whenever I have determined that there may be an imminent and substantial threat to the public health and welfare or to the environment.

Taylor Energy Company, LLC MC20 Platform "A" has a continuous, unsecured crude oil discharge occurring within the navigable waters of the United States. The Coast Guard, under a Unified Command (UC) with the Mineral Management Service, has been monitoring this discharge since September 16, 2004, since the platform and the connected 25 wells were damaged during Hurricane Ivan. As a result of the damage to the wells, plumes containing crude oil and gas are being discharged into the Gulf of Mexico, creating a sheen on the surface of the water.

You are therefore directed to comply with the following terms of this Administrative Order. To prevent any additional unlawful discharges of oil into the navigable waterway:

- (1) Immediately deploy an open water skimming asset to mitigate the continuous discharge at MC20 until such time that pollution domes are installed;
- (2) Conduct overflights twice daily to monitor the discharge from MC20 and provide the Coast Guard with reports from these over flights;
- (3) Install pollution domes to mitigate the continuous discharge in MC20 no later than November 1, 2008;
- (4) Provide an updated Incident Action Plan reflecting all requirements of this administrative order.

This Administrative Order is in effect until rescinded in writing by my office. If you fail to meet the requirements listed above, the Coast Guard will take all actions necessary to remove the

discharge or to mitigate or prevent the threat of such a discharge as authorized by Title 40 Code of Federal Regulations (CFR) Part 300.322.

40 CFR 300.322(b) states the following: "If the investigation by the On-Scene Coordinator (OSC) shows the discharge poses or may present a substantial threat to public health or welfare of the United States, the OSC shall direct all federal, state, or private actions to remove the discharge or to mitigate or prevent the threat of such a discharge, as appropriate. In directing the response in such cases, the OSC may act without regard to any other provision of law governing contracting procedures or employment of personnel by the federal government to:

- (1) Remove or arrange for the removal of the discharge;
- (2) Mitigate or prevent the substantial threat of the discharge.

This order is given under the authority of Title 33 United States Code (USC) Part 1321(c) and Title 33 USC 1321(e)(1)(B). Failure to comply with this order can result in a civil penalty of up to thirty-two thousand, five hundred dollars (\$32,500) per day, as set forth in 33 USC 1321 (b)(7)(B).

You may submit a written request to me requesting review and consideration of this action. If you choose to do so, you shall identify those factors to be considered by me in making a decision on your request.

If you have any questions concerning this matter, please contact LCDR Kim Keel (504) 846-5914 or Kim.D.Keel@uscg.mil.

Sincerely,



L.D. STROH
Captain, U.S. Coast Guard
Federal On-Scene Coordinator

Received By: 

Date: 9/24/08