

U.S. Department of
Homeland Security

United States
Coast Guard



Commander
United States Coast Guard
Sector New Orleans

200 Hendee Street
New Orleans, LA 70114
Staff Symbol: srm
Phone: (504) 365-2215
FAX: (504) 365-2510

16610

OCT 25 2018

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

Subj: RESPONSE TO LTR FM OCTOBER 24, 2018

Mr. William Pecue,

I received Taylor Energy Company's (TEC) October 24, 2018 letter requesting reconsideration of Administrative Order Number 19-001, dated October 23, 2018.

You now seek reconsideration of that Order on the grounds that: (1) the Order is premature because you do not have access to the information used as the basis for the Order; (2) the Order is based on a misinterpretation and inaccurate application of the previous response record; and, (3) TEC's Spill Management Team, including yourself and Taylor's counsel, have pre-existing conflicts with the November 6-9, 2018 scheduled meeting.

The Order is not premature because you have known since the Sheen Source Location Working Group's December 19, 2017, presentation to the Unified Command that oil is being released from the conical depression near the northeast corner of the jacket. As for the previous response record, the Order clearly states that recently developed information related to source location and conditions combined with a review of previously existing information warrant new actions be taken at the site. The federal position is that temporary containment and recovery of oil is needed and feasible. In support of the Order, I attached a "Summary of Scientific Study Results Supporting the Federal Position on MC-20 Site" and "Market Research Questions for MC20."

Finally, you seek reconsideration because TEC's Spill Management Team, including yourself and Taylor's counsel have pre-existing conflicts with the November 6-9, 2018 scheduled meeting. Unspecified prior commitments are no basis for postponing the response to this ongoing discharge of oil. If TEC fails to attend the November 6-9, 2018 Unified Command meeting, I will deem this as non-compliance with the Order and proceed with issuance of a Notice of Federal Assumption (NOFA).

Please contact me directly or through CAPT Mark Shepard, at 252-267-4722 or mark.j.shepard@uscg.mil if you have any questions concerning this matter.

A handwritten signature in blue ink that reads "K. M. Luttrell".

K. M. Luttrell
Captain, U.S. Coast Guard
Federal On-Scene Coordinator