WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 5, 2017

Mr. J. E. Skip Ward V.P. - Operations Renaissance Offshore, LLC 920 Memorial City Way Suite 800 Houston, TX 77024

CPF 4-2017-2001W

Dear Mr. Ward:

On multiple dates between November 29, 2016 and March 24, 2017, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Renaissance Offshore, LLC (Renaissance) – Offshore Gas gathering pipeline system in Houston, TX and Main Pass Area in Gulf of Mexico, LA.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

1. §192.805 Qualification program

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(b) Ensure through evaluation that individuals performing covered tasks are qualified;

Renaissance failed to ensure thorough evaluation that an employee was qualified to perform covered tasks; specifically task 12.0: Inspect Internal Pipe Surface.

On June 19, 2015, a contractor employee working for Renaissance, conducted the internal inspection on a cut section of exposed pipe that was removed from a riser at Main Pass 72 platform. The internal condition of said pipe was noted to be in "good" condition and documented on "Form 20.5: Exposed Pipe Inspection". The PHMSA inspector reviewed the qualification record for this individual, and found he was not qualified to perform this covered task.

At the time of the inspection, Renaissance failed to provide documentation indicating the employee was qualified to perform this covered task. If covered task 12.0 is performed by a non-qualified individual, according to Renaissance Operator Qualification Program Section 11: Reevaluation Interval Spreadsheet, a qualified individual can monitor three non-qualified personnel.

According to Form 20.5 provided by Renaissance, a qualified employee was not present to observe or direct this individual at the work site.

2. §191.22 National Registry of Pipeline and LNG operators

- (c) Changes. Each operator of a gas pipeline, gas pipeline facility, LNG plant or LNG facility must notify PHMSA electronically through the National Registry of Pipeline and LNG Operators at http://opsweb.phmsa.dot.gov of certain events.
- (2) An operator must notify PHMSA of any of the following events not later than 60 days after the event occurs:
- (iii) A change in the entity (e.g., company, municipality) responsible for an existing pipeline, pipeline segment, pipeline facility, or LNG facility;

Renaissance acquired Segment 15172 from Talos Energy, LLC on May 1, 2015. Renaissance failed to notify PHMSA of this asset acquisition until November 9, 2015. As a result, Renaissance exceeded this notification requirement by 132 days.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$205,638 per violation per day the violation persists up to a maximum of \$2,056,380 for a related series of violations. For violation occurring between January 4, 2012 to August 1, 2016, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed

\$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in Renaissance Offshore, LLC being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to CPF 4-2017-2001W. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,

Rodrick M. Seeley Director, Southwest Region Pipeline and Hazardous Materials Safety Administration