

Summary: Investigation of Falsified Blowout Preventer Test Chart

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Report Number: 14-0051

The OIG investigated allegations that employees of Energy Resource Technology, Inc. (ERT) falsified Blowout Preventer (BOP) pressure test charts and engaged in unsafe welding operations while conducting oil and gas activities aboard an offshore platform in the Gulf of Mexico.

We found that the ERT manager on the platform, Race Addington, concealed a failed pressure test from Bureau of Safety and Environmental Enforcement (BSEE) officials and directed offshore worker Kenneth Johns and another ERT employee to fabricate a false BOP pressure test chart. We also found that an ERT supervisor on the platform directed that welding operations be performed near an active and flowing well, which violated BSEE safety regulations.

Addington, Johns, and ERT were criminally charged for their actions by the United States Attorney's Office, Eastern District of Louisiana. Addington pled guilty to two counts of false statements and was sentenced to 12 months' probation and 40 hours of community service. Johns pled guilty to one count of false statements and was sentenced to 24 months of probation and fined \$750. ERT was sentenced to 36 months of probation, fined \$4 million, and ordered to pay \$200,000 in restitution.

This is a summary of a report of investigation that we issued to the BSEE Director.

