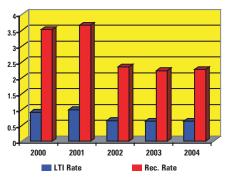
2004 LTI rate flat, but recordables were up slightly

2004 SAW THE drilling industry's worldwide LTI rate remain at the all time low of 0.63, which in turn is 3% better than the previous all time low of 0.65 in 2002. The 2004 recordable incident rate rose to 2.26, 1% worse than 2003's 2.23. Although IADC tracks both incidence and frequency rates, this report is based on incidence rates that are calculated on incidents per 200,000 man-hours.

The IADC Summary of Occupational Incidents (SOI) is compiled annually from data volunteered by drilling contractors worldwide. During 2004, 102 contractors participated in the ASP. They represented approximately 75% of the worldwide

LTI & Recordable Incident Rate



The industry's 2004 LTI remained at 2003's record low rate while the 2004 recordable incident rate increased slightly over 2003.

oil and gas drilling rig fleet with a total of 336.12 million man-hours worked. Contractors striving for safety improvement by participating in the ASP program reported 3,794 recordable incidents, 1,024 LTIs and 28 fatalities.

The oil and gas drilling industry's efforts towards safety have resulted in the industry's occupational LTI incidence rate per 100 workers to fall from more than 14.00 in 1963 to 0.63 in 2003-2004, which is nearly a 22-fold improvement.

This report is not designed to measure region against region, but to provide each region tools to measure their efforts and make improvement in their safety effort year over year.

Asia Pacific Land recorded the lowest LTI rate (0.24) while Middle East Land posted the lowest recordable incidence rate (1.09) for land divisions. Middle East Water had the lowest LTI rate (0.17) as well as the lowest recordable incidence rate of 0.75 for the water divisions.

FATALITIES

The industry's fatalities declined by two to 28, resulting in a 2004 fatality incidence rate of 0.017. The largest percentage of fatalities occurred to employees with less than three months service and occurred while rigging up/down the drilling rig. Eight fatalities occurred to supervisors of assistant driller or above, seven were derrickmen, seven were floormen, two roustabouts, and one each were motorman, truck driver, electrician and one classified as other.

Thirteen of the fatalities worked for the company less than one year, including 11 less than three months, one from 3-6 months and one over six months and less than 12 months. Five workers had between 1-5 years and four had worked for the company over ten years.

UNITED STATES

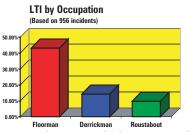
US Land and Offshore contractors

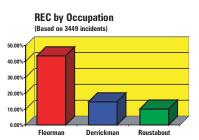
together worked more than 104.44 million man-hours with 15 fatalities occurring in the land category and two in the offshore category. Man-hours worked in the US land category during 2004 totaled 67.95 million compared with 36.48 million man-hours in the US Water category.

Lost time incidents among US offshore workers improved 21% from 0.51 in 2003 to 0.42 in 2004, while their total recordable incidence rate improved 4% from 1.70 to 1.64. US Land workers saw their LTI rate worsen 2% from 1.59 in 2003 to 1.62 in 2004. However, the recordable incidence rate remained the same for 2003 and 2004 at 5.83

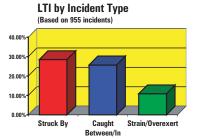
CANADA

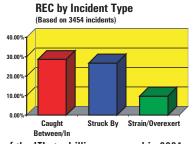
Canadian contractors accounted for 4.46 million man-hours during 2004. No fatalities were reported. Canadian land posted 2.85 million man hours while Canadian offshore had recorded 1.57 million man-hours.



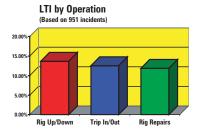


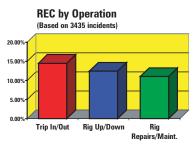
Data from the IADC ASP show that of all the categories, as with previous years, the Floorman position suffers the largest percentage of LTI and Recordable Incidents.





Five types of incidents accounted for 83.9% of the LTIs to drilling personnel in 2004. In order they are "Struck by"; "Caught Between"; "Strain/over exertion"; "Slip/fall Same Level"; and "Slip/Fall Different Level".





"Rig Up/Down" accounts for the most LTIs while tripping accounts for the most recordable incidents.

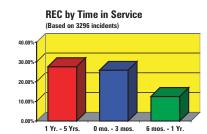
Canada Land's LTI rate worsened by 35% to 1.83 for 2004. Their recordable incidence rate improved 32% from 9.31 in 2003 to 6.32 for 2004. Canada Water's 2003 LTI rate of 0.31 improved 19% to 0.25 for 2004 while the recordable incidence rate improved 22% to 2.29 for 2004 compared with 2.95 for 2003.

EUROPE

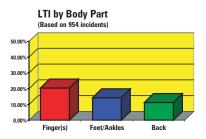
Contractors in the European Land and Offshore categories together worked more than 28.51 million man-hours, recording one fatality in 2004. European offshore accounted for 22.42 million man hours worked and no fatalities while European Land recorded 6.1 million man hours and one fatality.

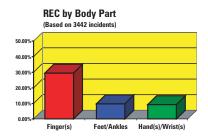
European land workers saw their LTI rate improve 21% from 0.84 in 2003 to 0.69 for 2004. The recordable incidence rate improved 15% to 1.74 in 2004 compared with 2.10 in 2003. European offshore workers' LTI rate improved 18% to 0.37 for 2004 from 0.45 in 2003 while the recordable incidence rate remained the same at 1.20 in 2003 and 2004.

LTI by Time in Service (Based on 909 incidents) 40.00% 10.00% 1 Yr. - 5 Yrs. 0 mo. - 3 mos. 3 mos. - 6 mos.

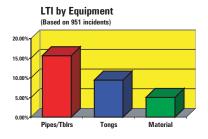


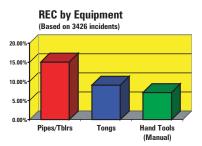
LTIs and recordables based on time in service was led by 1-5 years in both categories.





Fingers remained the most vulnerable part of the body.





"Pipes/collars/tubulars" is the equipment category responsible for the most Lost Time and Recordable incidents.

CENTRAL & SOUTH AMERICA

Central and South America land and offshore workers tallied 64.53 million manhours worked during 2004. Land operations fared better in the fatality category with none recorded during 2004 during its 44.52 million man-hours.

However, Central and South America Water reported 20.01 million man-hours with three fatal incidents.

The 2004 Land LTI rate remained at 2003's rate of 0.37. The recordable incidence rate of 1.11 for 2003 worsened 4.5% to 1.16 for 2004. Central and South America Water recorded an LTI rate of 0.39 for 2004, a 0.5% increase compared with 2003's 0.37 rate. The region's recordable incidence rate worsened 15% from 1.51 in 2003 to 1.72 for 2004.

AFRICA

Africa accounted for 32.72 million man hours and included three fatalities. Africa Land reported 10.71 million manhours with two fatalities compared to Africa Water with 22.01 million man hours and one fatality.

The Africa Land LTI rate for 2003 was 0.87 and worsened 18% to 1.03 for 2004 while their recordable incidence rate worsened by 20% from 2.00 in 2003 to 2.39 in 2004.

The Africa Water sector saw significantly improved LTI and recordable rates. The LTI rate of 0.51 for 2003 improved 45% to 0.28 for 2004 while their recordable incidence rate improved 23% from 1.55 in 2003 to 1.19 in 2004.

MIDDLE EAST

The Middle East region accounted for 58.98 million man-hours and two fatalities. The Land division recorded 43.76 million man-hours and one fatality compared to 15.22 million man-hours and one fatality for the offshore division.

The Middle East Land 2003 LTI rate of 0.30 improved by 13% to 0.26 in 2004, while their 2003 recordable incidence rate of 1.08 worsened slightly to 1.09 in 2004. The Middle East Water LTI rate improved slightly from 0.18 in 2003 to 0.17 in 2004. Their recordable incidence rate also improved 18% from 0.91 in 2003 to 0.75 in 2004.

ASIA PACIFIC

The Asia Pacific region accounted for 42.52 million man hours and two fatalities. Offshore posted 27.81 million manhours worked with one fatality, while the Land division had 14.72 million manhours and one fatality.

The 2004 Asia Pacific Land LTI rate improved 40% to 0.24 in 2004 compared with 0.40 in 2003. Their recordable incidence rate also improved 22% from 1.84 in 2003 to 1.51 in 2004. However, the Asia Pacific Water 2003 LTI rate of 0.23 worsened 26% to 0.29 while the recordable incidence rate improved 10% from 0.97 in 2003 to 0.87 in 2004.

MORE INFORMATION

The "2004 Summary of Occupational Incidents" is available on CD ROM format through IADC Publications Department. Call **Loretta Krolczyk** at 1/713 292 1945, (fax, 1/713 292 1946; publications@iadc.org).

To learn more, call **Stephanie Murphy** at 1/713 292 1945, or via e-mail at stephanie.murphy@iadc.org.