EDITORIALS

From the Chairman

A LAND DRILLER LOOKS OFFSHORE

AS A "CARD-CARRYING" LAND contractor who has spent his entire career in that business, the closest I'm likely to get to offshore drilling is ice fishing in Alaska. Kidding aside, while making hole is making hole, the offshore arena is a highly capitalized industry subject to a large array of regulatory requirements. And these requirements and regulations can literally undergo a "sea change" for mobile offshore drilling units moving from one jurisdiction to another-whether the transit is trans-Atlantic or simply across an adjacent national boundary.

Since this edition of Drilling Contractor has a special focus



Edward D Kautz, Chairman

on offshore drilling, it is appropriate to discuss just a few of the issues IADC is working on behalf of this very important segment of the world drilling business.

INTL MARITIME ORG

Start with the International Maritime Organization. IMO labors, if not in obscurity, then certainly at the far periphery of the public eye. Nonetheless, this specialized agency of the United Nations sets global regulations

for the 10,000-vessel international shipping fleet and, oh, by the way, the world's MODU fleet (600 or so rigs).

IADC is an accredited observer at IMO-and resident champion of offshore drilling. IADC screens nearly 1,000 IMO documents every year for potential impact on our members. Current issues include ballast water management, anti-fouling paints, lifeboat maintenance and testing, greenhouse gas standards, and engine emissions, to name a few.

Recently IMO decided to update the IMO MODU Code, last revised in 1989. The Code affects nearly every aspect of design, operation and safety for mobile offshore drilling units. In particular, the revisions will modifications made since 1989 to the Safety of Live at Sea (SOLAS) Convention which have taken place since its last revision in 1989, and recent changes to international helideck standards.

MINERALS MANAGEMENT SERVICE

Hurricane Ivan severely disrupted oil and gas production in the Gulf of Mexico, causing several semisubmersibles to break moorings and go adrift. While these drifting rigs caused little damage and resulted in no pollution, they have come under scrutiny.

IADC has worked with the Offshore Operators Committee and API to improve MMS's understanding of the standards used in designing MODU mooring systems and the limitations of these systems in the face of a Category IV storm such as Ivan. Workshops and research projects are likely to further efforts to better understand mooring failures and what steps, if any, could be taken to strengthen mooring systems.

Another biggie in the US Gulf of Mexico is the US Minerals Management Service's strong hint that it may require safety management systems for operators. MMS is not satisfied with the safety performance in the Gulf under voluntary participation by operators in safety management systems. (60% of OCS operators have implemented an SMS.)

The problem for drilling contractors when SMS's are mandated is the potential for conflicts between the SMS and other regulatory demands on the contractor, such as the International Safety Management Code promulgated by IMO. Even worse is when the regulator chooses not to recognize contractors as independent stakeholders capable of managing the assets under their control. Regrettably, this is the situation in the US. IADC is already engaged in preliminary discussions with MMS regarding this matter.

You can find more information on these issues and others elsewhere in the issue. If you want more details, contact IADC Director-Offshore Regulatory & Technical Affairs Alan Spackman (alan.spackman@iadc.org).

These are issues that don't prompt headlines, but affect the operations and economics of offshore drilling in very real way.

From the President

DRAWN AND QUARTERED

IN MEDIEVAL ENGLAND severe penalties were meted to those who ran afoul of the King's Laws. Being first hanged, then drawn and quartered was not uncommon punishment for those who challenged the Monarch. Guy Fawkes, who had a plan to blow up the buildings of Parliament, and William Wallace, the Scots national hero, are historical notables who were shown the rack for treachery and high treason.

I've heard complaints from many in the industry that we are

being stretched too thin and drawn in too many directions by conflicting requirements from customers and by diverse and contradictory regulations from the authorities. This is not quite so severe, of course, as in medieval times, but nonetheless it is discomforting to those committed to offering quality services and a safe and healthy workplace.



Lee Hunt, President

Help is on the way, however.

Recently a conference of international offshore regulatory authorities and industry stakeholders was convened in London under the auspices of the International Regulators Forum. **Taf Powell**, Head of Offshore Division, UK Health and Safety Executive, was chairman and a guiding force in developing the agenda.

The 3-day conference afforded government, operators and contractors an opportunity to present to one another perceptions and perspectives on what is being done right and what can be improved upon to achieve an ultimately safe workplace offshore. The spirit and mood of the participants reflects the onset of what I hope is an era of unprecedented communication and cooperation between governments and industry in achieving this goal.

All in all, it was quite a treat to convene in the shadow of the Tower of London with the prospect of being brought together rather than drawn apart. That's progress.