MAINTENANCE COMMITTEE MEETING MINUTES 11 January 2012

Location: Seadrill Americas, Inc



Call to Order / Introductions:

The committee was welcomed by the 2012 IADC Maintenance Committee Chairman, Mr. Ken Gardner. A building security and safety briefing was given by Nick Bourdimas (Seadrill). The Chairman cordially thanked Seadrill Americas for hosting the meeting.

Mr. Ian Hope, Senior VP of Seadrill Americas welcomed the committee and acknowledged the importance of the work of the committee and its actions to improve the equipment performance standards throughout the offshore industry.

A short personal introduction was given by each attendee followed by a review of the proposed agenda by the Chairman.

IADC Antitrust Policy and Guidelines and committee Mission Statement:

The Chairman next covered the committee Mission Statement with the group. This was followed by a review of the IADC Antitrust Policy and Guidelines by Mr. Pertgen.

Review of action items:

There were no outstanding action items.

Regulatory Review:

API- Ms. Holly Hopkins presented an update of the following areas via telcon:

- -Interim Final Drilling Safety Rule
- RP / STD 53
- RP 75
- Current status of Center for Offshore Safety
- Future rulemakings of interest to API

IADC- John Pertgen provided the Committee with information about two IADC-published semi-annual reports:

International Standards Activities affecting the Offshore Oil and Gas Industries --

This report provides a handy reference to the standards development activities of various organizations (e.g., the International Maritime Organization, International Labor Organization, the International Organization for Standardization, and various international trade associations).

Federal Regulatory Actions Impacting the Offshore Industry –

This report provides a reference summary that reflects the regulatory actions, announced in the Federal Register by U.S. governmental agencies, which may affect operations in the oil and gas industries.

(Note: Both reports are available at: http://iadc.org/committees/offshore/index.html)

Additionally Mr. Pertgen provided a brief overview of the following issues that had been introduced or modified since our last committee meeting in October (for a complete list, please see the full report at link above):

- USCG -Draft policy letter entitled "Dynamically Positioned Mobile Offshore Drilling unit (MODU) Critical Systems, Personnel and Training"
 - -Policy Letter 11-15 Mariner credentialing without a TWIC requirement
 - -2012 Random Drug Testing Level at 50%
 - -Ballast Water reporting requirement letter submitted by IADC for clarification beyond 12 nm and for preload tanks on jackups
 - -Long Range Identification Tracking operational Int'l Data Exchange transferred to EMSA in Lisbon, Portugal
- BOEM -Reorganization of Title 30 of CFR with Chapter II for BSEE and Chapter V for BOEM
- BSEE -NTL 2011-N11 Subsea pumping
 - -NTL 2011-N09 SEMS for OCS
- OSHA -General Working Conditions in Shipyards
- FMCSA-NRPM to incorporate Commercial Driver License Information System State Procedures manual
 - -Hours of Service for drivers major modification
 - -Cell phone use prohibited
 - -Medical certificates to be carried by drivers until CDL Info System up to speed.

PHMSA-Cell phones prohibited for HAZMAT drivers

EPA -Environmental Justice Plan principles for rulemaking, permitting and compliance/enforcement

-Draft VGP permit out for comments

Main Presentation:

Condition Monitoring Product Update - was presented by Ashe Menon with National Oilwell Varco.

- -Mr. Menon explained the importance of using data to increase reliability. He further provided an approach to justify making conditioned based monitoring a reality in the drilling industry. His presentation included the following four case studies:
 - a. Internal Top Drive system
 - b. Mud Pump Power
 - c. Mud Pump Internal Fluid
 - d. Top Drive Bearings

Lunch & Learn:

Ballast Water Treatment Technologies and Regulations (Steven Putnam- Wilhelmsen Technical Solutions)

- -Mr. Putnam's presentation during the meal covered the following areas of interest regarding BW treatment:
 - a. BW international and domestic regulations
 - b. BW issues
 - c. Offshore industry compliance
 - d. BW approved technologies
 - e. Fleet strategic planning

Afternoon Portion:

The Committee Chairman made it known that Mr. Ian Murdoch (Diamond Offshore) was appointed the 2012 Maintenance Committee Vice-Chairman.

Mr. Jim Cue reported out on Caterpillar issues.

NOTE: Any Maintenance Committee members wishing to participate in CAT's committee meetings should contact Mr. Cue using his email address [Cue_James_A@cat.com] or by phone at 713-895-2320. It is intended that this committee will provide a report out during our quarterly Maintenance Committee meetings of the status and/or resolution of any issues raised at their meetings.

<u>API RP2D 7thEdition (Draft)</u> Mr. Chris Corcoran (Transocean) provided comments regarding his company's position pertaining to the proposed modifications to RP 2D; he promoted member participation at the upcoming API revision meeting.

Open Forum:

One member requested information from the group regarding the following issues: push rod issues on 3512 B & C models, Radiator replacement lead times, turbocharger issues, and Equipment insulation measuring requirements by Class.

<u>Future topics</u> - Solicitation of future topics yielded no responses during this meeting. Therefore, the group was asked to submit topics that they deemed appropriate for this committee at any time to either the Chairman or IADC liaison.

NOTE: Any presentations at this meeting may be made available to attendees by contacting Mr. John Pertgen (john.pertgen@iadc.org). NOTE: This only includes those presentations which were stated as being available to attendees by the presenters.

Adjourned:1400 hrs.

Meeting schedule for 2012:

11 January 2012- Seadrill Americas
11 April - Pacific Drilling
11 July - Diamond Offshore
10 October - Transocean

Attendance:

Name		Company Name
David	Beard	Applied Ultrasonics
Norman	Wong	BP America
Michael	Wendeln	Canrig Drilling Technology
Boone	Smith	Canrig Drilling Technology
Jim	Cue	Caterpillar
Sepideh	Otmishi	Caterpillar
Sreenivas	Ramanujam	Caterpillar
lan	Murdoch	Diamond Offshore Drilling
Kerry	Cain	Diamond Offshore Drilling
Frank	Breland	Diamond Offshore Drilling
David	Balsiger	Ensco plc
Mike	Faulkner	Ensco plc
William	Darby	Ensign Energy US Southern Division
S.L. (Sindee)	Gillespie	G.O.A. Enterprises
Michael	Syhler	Hempel
John	Pertgen	IADC

Garry	Davis	ModuSpec Engineering
Ashe	Menon	National Oilwell Varco
Graham	Dey	National Oilwell Varco
Greg	Martin	National Oilwell Varco
Denis	Adams	Pacific Drilling
Matthew	Smith	Seadrill
Bobby	Warren	Seadrill
Dennis	Nolan	Seadrill
Asa	Hoffman	Seadrill
Phil	Fonner	Seadrill
Louis	Adam	Seadrill
Susan	Hrib	Signum Group
Bruce	Kozlowski	Signum Group
Pete	Ledingham	Transocean
Ken	Gardner	Transocean
Joey	Castro	Transocean
Chris	Corcoran	Transocean
Bobby	Speirs	Transocean