

**MAINTENANCE COMMITTEE
MEETING MINUTES
12 January 2011**



Location: Pacific Drilling Services

Call to Order / Introductions:

The Group was welcomed by the IADC Maintenance Committee 2011 Chairman, Mr. Ken Gardner. A building security and safety briefing was given by Covey Hall (Pacific Drilling). The Chairman then recognized Pacific Drilling for hosting the meeting and thanked all members present for their attendance. 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 then covered the Committee Mission Statement with the attendees followed by Mr. John Pertgen, who reviewed the IADC Antitrust Policy and Guidelines.

Review of action items:

There were no outstanding action items.

Regulatory Review:

John Pertgen provided the Committee with information on 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 have been modified since our last committee meeting:

- USCG - Seeking comments on the recognition of foreign certificates under STCW Convention
 - Termination of LORAN C signals
 - Vessel Response Plan updates needed for Salvage and Firefighting equipment (NVIC- 2-10)
- CBP - Application of the Jones Act proposed modifications by rulemaking was placed on hold regarding transfer of equipment between US ports.
- BOEMRE
 - Issued the interim Final rule on safety measures affecting drilling regulations related to well control
 - Issued the Final rule that requires operators to develop a SEMS (Safety & Environmental Safety System)
- OSHA - Issued an interpretation of *feasible administrative or engineering controls* regarding occupational noise exposure standards.

FMCSA- Proposed a rulemaking regarding restriction of the use of cell phones by drivers of commercial motor vehicles.

EPA - Asked for stakeholder inputs on the re-issuance of NPDES Vessel General Permit in 2013.

- Reiterated EPA's stance regarding MARPOL Annex VI bunker delivery notes and fuel samples.

Main Presentations:

Modern Corrosion Prevention from a Maintenance Perspective - Mr. Bill Bradnick (Chemco)

Lunch & Learn:

Equipment Hazardous Area Regulations & Proposed Regulatory Changes (Mr. Mayo- ATEC)

Afternoon Portion:

Open Forum -

One member indicated that the group should keep an eye on catastrophic mud pump failures. His company had a few bearing catastrophic failures (older rigs (NOV) Emsco 2200 model]). He further indicated that the frequent loading and unloading of the units puts tremendous shock on the bearings, which could increase the fatigue of the bearings. This incident was still being investigated; however, he wants to see if others are having the same problems. Thereafter a discussion of "shock watch" or similar technologies was undertaken within the group.

One member asked about falling booms on cranes. He indicated that there was an industry workgroup years ago looked into issues with deck mounted cranes and specific manufacturers. He asked if any boom hoist inspection procedures to preclude boom drive shaft failures were published. Another member indicated that his company was looking at alternate means of catching the boom in freefall mode. Another member suggested that this issue could possibly be resolved by installing a secondary, independent means of braking.

One member indicated that his company was having issues with the electronic injectors on the C280 model diesel engine and asked if others had encountered similar instances. No responses were presented.

One member asked about actions taken with regard to engine emissions. Another member indicated that his company was undertaking emissions and stack testing on their engines. Another member stated that his company was looking at getting their engines monitored and analyzed by a third party to see what their options are and what was needed to have their engines comply with the new regulations. There was a comment made that we should perhaps be looking at a more united effort from all drilling contractors on this topic.

[Informational Note added to these minutes for further clarification: This is a matter regarding differing jurisdiction for air quality between BOEM and EPA, with BOEM only having jurisdiction in the Central and Western GoM and EPA having jurisdiction elsewhere (e.g., Eastern GoM, AK, California), and that EPA evaluates permit applications on a case-by-case basis against Best Available Technology (BAT). Further all drilling contractors with deepwater assets in the GoM were invited to participate in an OOC work group to meet with EPA Region 4 to attempt to define BAT for drilling rigs. All were represented at the first meeting, held at Anadarko. The problem remains that the Operator is responsible for obtaining the permit and Operator's individual views of BAT and their willingness to push BAT limits in order to facilitate EPA and public (the permits are subject to public review) acceptance will inevitably vary. IADC can put our member companies in contact with the OOC's working group for R4, if their contact has been lost. Additionally, IADC is unaware of any industry group trying to standardize the approach with EPA in Alaska (AK), but is aware that, in response to a citizen-suit, Shell's drilling permit for AK has been remanded for failure to fully apply BAT.]

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

Adjourned: 1315 hrs.

Next meeting:

12 January 2011- Pacific Drilling
 13 April - Diamond Offshore
 13 July - Pride International
 12 October - Transocean

Attendance:

| Name | | Company Name |
|---------------|-------------|--|
| Wayne | Mayo | ATEC Training & Certification LLC |
| Paulo | Biasotto | Bureau Veritas |
| Boone | Smith | Canrig Drilling Technology |
| Bill | Bradnick | Chemco Specialty Coatings Pte Ltd |
| Ian | Murdoch | Diamond Offshore |
| Frank | Breland | Diamond Offshore |
| Kevin | O'Connor | Emissions Technology |
| Charles | Turbeville | GOA Enterprises |
| S.L. (Sindee) | Gillespie | GOA Enterprises |
| Huey | Crabtree | Hercules Offshore |
| John | Pertgen | IADC |
| Eric | Bevevino | Management Resources Group |
| Covey | Hall | Pacific Drilling Services, Inc. |
| Andrea | Leafloor | Pacific Drilling Services, Inc. |
| Ginny | Murdoch | Pacific Drilling Services, Inc. |
| Kristina | Hardwick | Pacific Drilling Services, Inc. |
| Andrea | Rogatski | Pacific Drilling Services, Inc. |
| Mike | Mathena | Pacific Drilling Services, Inc. |
| Alwon | Kon | Pacific Drilling Services, Inc. |
| David | Walker | Pacific Drilling Services, Inc. |
| Denis | Adams | Pacific Drilling Services, Inc. |
| Demi | Huynh | Pacific Drilling Services, Inc. |
| Mark | Andrews | Parker Drilling |
| Scott | Thornbrough | Precision Drilling Oilfield Services |

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|-------------|-------------|------------------------------|
| David | Balsiger | Pride International |
| Mike | Faulkner | Pride International |
| Jeff | Townlin | Rowan Companies, Inc. |
| Robert | Glover | SpecTec, Inc. |
| Jeff | Marshall | Transocean |
| Pete | Ledingham | Transocean |
| Geoff | Evans | Transocean |
| Bob | Speirs | Transocean |
| John (Fitz) | Fitzpatrick | Transocean |
| Ken | Gardner | Transocean |
| Vagie | Iliakis | WCI, Inc. |
| Michael | Mermigkas | WCI, Inc. |