IADC HSE COMMITTEE MEETING 26 July 2012 Ensco plc – Houston, Texas



Agenda Item #1: Welcome & IADC Antitrust Policy & Guidelines

The IADC HSE Committee was called to order by HSE Committee vice chairman Mike Garvin, Patterson UTI. Mike thanked ENSCO PLC for hosting the meeting.

Joe Hurt, IADC, reviewed the IADC Anti-trust Policy & Guidelines, calling attention to prohibited discussion topics. For a copy of the IADC Anti-trust Policy & Guidelines refer to <u>http://iadc.org/antitrust/</u>.

Agenda Item #2: Facility Orientation – Representative of ENSCO PLC

Steve Richers, ENSCO PLC, welcomed everyone and provided the building safety and emergency procedures.

Agenda Item #3: Open Discussion- Safety Minute/ Incident Discussion/ Best Practices; Process Safety and HSE Cases; Fit for Duty

John Pertgen, IADC, reviewed the IMO Counterfeit Refrigerant notice that was distributed at the beginning of the meeting. Mr. Pertgen informed the group that the Department of Homeland Safety will provide a counterfeiting and fraudulent briefing if your company desires one. Mike Garvin, Patterson UTI, shared his related experiences concerning counterfeit refrigerant.

Mike Garvin, Patterson UTI, shared a video (<u>http://www.youtube.com/watch?v=vJG698U2Mvo</u>) demonstrating employees are focusing too much on specific verbal instructions causing them to miss an obvious hazard. For more information and videos like this one, search "invisible gorilla".

A member shared a situation where an employee was almost injured due to a wiring defect. The supervisor only verbally instructed how to wire, but did not create drawings or follow-up. This lead to the area the employee was standing on to be electrically charged. The company put a program in place that uses inspection stickers on their equipment that must be inspected and signed by the person who did the wiring, the supervisor, and the manager.

Another member discussed an injury that occurred on a rig due to lack of communication between the drillers and a third party working on the rig. The third party person locked out a part of equipment according to their procedures, but did not communicate with the men working on the rig resulting in a man to be injured.

The group discussed fit for duty policies and how to improve them.

- OSHA provides a <u>Heat Index app</u> for iPhone and android users that locates where a person is and gives the recommended amount of water to drink and number of breaks required.
- Most companies in attendance have banned energy drinks from their rigs due to the side effects of the drinks.

- One member told about his company will not allow an employee to sign in for work if they are not fit for duty. Since they have implemented this rule there has been a decrease in heat related issues.
- Another member described hydration tests that her company performs. This includes checking the person's temperature, looking inside of their mouth, performing a skin test, evaluating their mood, and making sure they are urinating regularly. This has been proven to be very effective because it keeps hydration on employees' minds and holds them accountable.
- The most effective way to avoid heat stress in the work site to do are educate and train rig managers and operators in heat stress symptoms, required breaks, hydration, and the importance of enforcing required breaks. Then make sure supervisors and workers are following expectations.

Process Safety and HSE case programs were discussed. The topics discussed were:

- OSHA has announced that they plan to issue Injury and Illness Prevention Program (I2P2) management regulations by the end of the year.
 - OSHA has stated in hearings that if your company already has a HSE Management Plan in place it should meet the requirements of I2P2.
- It was reported that two operators are going to bring SEMS onshore for their operations.
 - One operator is currently redeveloping onshore safety systems to be more in line with offshore SEMS.
- New OSHA emphasis program.
 - Going to all rigs to perform inspections. Their goal is to get a better understanding of the drilling industry.

Paul Breaux, IADC, spoke about the monthly safety alerts posted on the IADC website. They can be found at <u>http://www.iadc.org/iadc-hse/iadc-safety-alerts/</u>. For more information or to submit safety alerts, contact Paul Breaux. <u>Paul.breaux@iadc.org</u>.

Agenda Item #4: Subcommittee Report: Environmental Subcommittee- Jennifer May

In absence of the Environmental Sub-Committee Chair, Jennifer May, Joe Hurt provided a summary of the HSE Environmental Sub-committee meeting. Topics discussed were:

- 2011 EPAP survey
- The group compared IMCA & IPIECA policies. After a discussion, they voted to harmonize EPAP and IMCA guidelines.
- Natalie Wagner, NOV, presented environmental score cards her company is currently creating.
- The sub-committee will be electing a new chairman at the next meeting. Contact Joe if you are interested.

Agenda Item #5: IADC Activities Report: Training Committee- Brenda Kelly, 2013 HSE – T Conference – Joe Hurt, 2012 ISP Guidelines – Joe Hurt

Training Committee

Brenda Kelly, IADC reported:

- A special work group will be formed to discuss the licensing of drillers and what type of program should be used.
- KSA project: IADC is developing for all rig based. It should take about seven months to complete the project. The first step is to perform worldwide mapping, creating a competency template. Focusing currently on first based positions.
- The training committee is developing two new accreditation programs.
 - o Lifting Program
 - o API
- Paul Breaux, IADC, discussed the rig competency program for swampers being developed by the rig movement committee. The committee has mapped out all of swampers' tasks; they hope to complete truck driver, truck pusher, and all other tiers by the end of 2012.
 - Occupational Safety Training, Inc. also posts monthly case studies on their website.

Upcoming HSE Conferences

- The HSE T Conference will be February 5 6, 2013 at the Houston Omni Westside.
 - If anyone wants to submit an abstract of topics you would like to present at the conference, do so by early September. To submit an abstract go to <u>2013 IADC HSE</u> <u>- T</u> web page.
- The Environmental Conference will take place April 8 9 in New York
 - Submit environmental topic abstracts by 17 September 2012 by going to <u>2013</u> <u>Environmental Conference</u> web page.
- The North Sea HSE Conference will be September 26 27, 2012 in Amsterdam, NE.

ISP Guidelines

Joe Hurt, IADC reported:

- Leslie Packard has taken over the ISP data collection responsibilities. Submit your company composite forms and SIR forms to Leslie at leslie.packard@iadc.org.
- Each year IADC HSE committee has a ISP Task Group review the ISP Guidelines to improve and / or streamline them for the following year. Recommendations for the 2013 ISP program should be reported to Leslie Packard by the end of August.
- Paul Breaux, Assistant Director Land Operations will take over the program for 2013.

Agenda Item #6: Drops Presentation

Jeramy Montgomery, Transocean, made a presentation on dropped objects that highlighted past success and where they are now, including best practices, and ongoing efforts. For more information and to see demonstrations, visit <u>http://dropsonline.org/</u>.

Agenda Item #7: Regulatory Report – John Pertgen, IADC

John Pertgen (IADC) provided the HSE Committee with information on two IADC-published semiannual 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 key issues that have been modified since our last committee meeting:

TSA

• Extension of Transportation Worker Identification Credential (TWIC) by three years while DHS plans to review comments to their NPRM on card reader requirements and deployment plans.

USCG

- Issued Policy letter 02-12 regarding acceptance of 2009 MODU Code being as least as effective as 1979 & 1989 MODU Codes.
- MODU DP Guidance issued via a recommended interim voluntary guidance and incident reporting criteria for DP vessels on US OCS
- NPRM issued to amend regulations concerning transfer of hazmat to and from portable tanks plus greater flexibility in list of allowed hazardous materials.
- Issued a Notice of Inquiry to obtain comments about how the USCG is considering changing the regulations for drug and alcohol testing.
- Interim final rule regarding the harmonization of regulations regarding inflatable life raft increasing occupant mass from 75 KG to 82.5 KG for design and testing for those manufactured after 22 March 2012
- Final rule on CO2 fire suppression systems to use lock-out valves and odorizing unites for new CO2 systems after 9 July 2012. Not applicable to foreign MODUs with fully compliant MODU Code certificate.
- Issued a NPRM that proposes to update the US regulations and harmonize them with the international conventions (MARPOL & SOLAS) regarding oil pollution and safety of life at sea.
- Final rule on Ballast Water Management regarding the allowable concentration of living organisms in ballast water discharged into waters of the US.

BSEE

 Issued a notice requesting comments regarding reporting GPS info on MODUs to BSEE after major weather event like a hurricane.

OSHA

- Final rule that modifies Hazard Communications standards to harmonize with UN classification and labeling of chemicals (standardized signal words, pictograms, hazard statements and safety data sheets)
- Final rule that consolidates and updates general working conditions in shipyards for operations that include: housekeeping, illumination, sanitation and first aid.

FMCSA

- Issued a final rule that confirms that drivers with commercial driver's licenses cannot use Schedule I drugs.
- Final rule regarding the establishment of the National Registry of Certified Medical Examiners, who are now the only ones required and allowed to do physical exams for commercial motor vehicle drivers.
- Issued a Notice of Intent to move forward the NPRM regarding electronic on-board recorders and hours of service for commercial motor vehicles.

EPA

 Issued a final rule that established the California State waters as a No Discharge Zone for sewage discharges.

Mr. Pertgen also mentioned the following areas of interest:

- Pointed out that a certification issued for a helideck by the UK Helicopter Certification Agency (HCA) does not indicate that the rig meets the standard indefinitely. Modifications were made by rigs after they had received their certification.
- The International Maritime Organization (IMO) Subcommittee on Dangerous Goods (DSC 17) issued a paper (DSC 17/13/6) which addressed a problem with counterfeit refrigerants.
- Indicated that a Notice to Airmen (NOTAM) is normally issued by the FAA for helidecks that allow general public access; whereas rigs and platforms are privately owned. An obstructed helideck should require that the owner/operator be informed, the helicopter provider be informed, and the deck needs to be marked with an "X" to indicate that it is not to be used.

Joe Hurt reported that there will be a Land Operating Division web page added to the Committees page. It will have regulatory reports and documents that affect land drilling operations.

Agenda Item #8: Energy Management: Regulations, Standards & Opportunities

Tom Kirk, Director of Environmental Programs at ABS, gave a presentation on Energy Management.

Agenda Item #9: Lunch & Learn: Importance of Emergency Response and Crisis Management in an Organization – David Evans, Global Director of Emergency Response and Crisis Management, Petrofac

David Evans, Petrofac, reported on developing robust emergency response systems.

Agenda Item #10: Meeting Close Out, Next Meeting Date and Agenda Items.

Mike Garvin thanked ENSCO PLC for hosting the meeting and thanked Petrofac for providing lunch.

Joe Hurt announced IADC has now opened their new conference area and it is available to host committee meetings, but sponsors will be needed for lunch and learn, etc.

The next meeting will be held on October 25, 2012 at Transocean Ltd, Houston.

Members may submit suggested topics for the next meeting to Joe Hurt, IADC joe.hurt@iadc.org.

Meeting adjourned at 12:40 p.m.

Attendance List:

John	Francic	ABS
Tom	Kirk	ABS
Ken	Richardson	ABS
Fernando	Lehrer	ABS
Dana	Morales	Atwood Oceanics
John	Auth	Auth-Entic Safety Services
Tim	Grebe	Axon Energy Products (Drilling Control Inc.)
Denise	Moyer	BP
Chris	Tagoe	Cameron
Lynn	Callender	Capital Safety
Robert	Boudreaux	Coastal Drilling Company, LLC
Chuck	Walsh	Coastal Drilling Company, LLC
Ray	Britt	Cobalt International Energy
Stephen	Fuchs	Diamond Offshore
Nicolas	Le Gouhinec	Ensco plc
Scott	Bozych	Ensco plc
David	Lewis	Ensco plc
Clint	Perry	Ensco plc
Andy	Erwin	Falck Alford
Bret	Parks	Helmerich & Payne
Richard	Haut	Houston Advanced Research Center
Joe	Hurt	IADC
Paul	Breaux	IADC
John	Pertgen	IADC
Brenda	Kelly	IADC
Scott	Arnold	Independence Contract Drilling
Chris	Plaeger	Moxie Media, Inc.
Diana	Nelson	MSA
John	Lund	New Tech Global Ventures
Michael	Stephens	Nomac Drilling, LLC
Suzanne	Munro	NSL America
Michael	Duplantis	Occidental Oil & Gas

Shannon	Caldwell	OES Oilfield Services (USA) Inc.
Neil	Campbell	Pacific Drilling
Jesse	Hein	Patterson UTI
Mike	Garvin	Patterson UTI
Jenni	Lewis	Petrofac Training Services
Jessica	Selvidge	Petrofac Training Services
Rebeca	Chadwick	Petrofac Training Services
David	Evans	Petrofac Training Services
Tom	Horan	Rowan Companies, Inc.
Robin	Markussen	RPS
Phil	McKenzie	RPS
Phillip	Сох	Schlumberger
Jason	Green	Synergy Industrial Services
Bobanne	Richardson	Synergy Industrial Services
Jeramy	Montgomery	Transocean
Barry	Cooper	Well Control School
David	Votaw	William Jacob Management, Inc.