



IADC Industry Perspective

BSEE/ANL EWD Workshop

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International Association of Drilling Contractors



Worldwide Membership



Founded in 1940, today IADC represents drilling contractors, oil and gas producing companies and manufacturing and service companies worldwide and is truly a multinational organization.

- Drilling & Well Servicing Contractors - 420
- Producers (including National Oil Companies) - 62
- Oilfield Service & Supply Firms - 996

IADC Perspective



- What has IADC, on behalf of the drilling industry, done so far?
- What will IADC be doing in the coming year or so?
- What are the five most important topics for improvement for the drilling industry, and what are the obstacles?

What has IADC done?



Joint Industry Task Force and API

- Equipment
- Procedures
- Containment
- Response

Given effect through

- API standards process
- US regulations and regulatory guidance
- Center for Offshore Safety

International Association of Oil and Gas Producers (OGP)

- Prevention
- Intervention
- Response

Given effect through

- Wells Expert Committee
- OGP guidance
- ISO standards

What has IADC done?



Participation in Governmental/other activities

- US Congressional inquiries
- Chemical Safety Board inquiry
- National Academy of Engineering
- National Commission on BP Deepwater Horizon Oil Spill and Deepwater Drilling
- G20 Global Marine Environmental Protection Group

What has IADC done?



- Workplace Safety Rule compliance
 - SEMS “toolkit”
 - Audit checklists & training matrices
 - Developed with OOC
 - To be used by Center for Offshore Safety

What has IADC done?



- IADC HSE Case Guidelines updated December 2010 to address enhancements with respect to:
 - Bridging arrangements
 - Particular risks of deepwater wells
 - Evaluation of routes used to access TSRs (if provided) and evacuation systems

What has IADC done?



- Revised IADC WellCAP Supervisory Curriculum
 - Increased simulator use to minimum 30% course time
 - Increased focus on warning signs
 - Reformatted to include learning objectives and key points/comments for individual topics

What has IADC done?



- Other WellCAP refinements/activities
 - SWAT audits in 2010 of all US training providers; expanded on global basis
 - Tighter Instructor qualifications for initial approval
 - New requirements for instructor requalification
 - Clarification of testing requirements
 - Elimination of “grace period”

What has IADC done?



- Initiated dialog with Cuba regulators & industry
 - Goal is to share industry best practices on well control, spill prevention & cleanup
 - Cubans participated in panel at IADC Environmental Drilling Conference
 - Two IADC delegation visits thus far

What has IADC done?



- API/IADC Bulletin 97 -- *Well Construction Interface Document (WCID)*
 - Traditional HSE-MS bridging arrangement plus:
 - Well basis of design
 - Well execution plan
 - Critical well activity risk assessments
- Balloting closed 3rd Oct; issued by year-end?

What will IADC be doing?



Further updates to HSE Case Guidelines

- Evacuation & escape routes
- Reference drawings & schematics
- Design & commissioning of new facilities
- Additional guidance on management of change
- Explicit consideration of regulatory requirements as part of the audit process
- Consideration of audit results and records retention
- Selection of contractors

Regulatory initiatives



- BSEE
 - SEMS 2 proposed rule (13 September)
 - BOP systems
 - Various other findings of DWH Final Report
- US Coast Guard/IMO
 - Dynamic positioning systems (FMEA)
 - Lifesaving & firefighting equipment
 - Fire & blast analyses/hardening
 - Gas detection systems
 - Disconnect & Emergency shutdown philosophy

What will IADC be doing?



Additional WellCAP Curriculum Revisions

- Fundamental Drilling course
- Workover Supervisor (will include Fracking)
- Workover Fundamental
- Wireline
- Coiled Tubing Simulation standards
- Consideration of annual retraining requirements

What will IADC be doing?



Revision of IADC KSAs

- Guidance document on knowledge, skills and ability
- Update for more specific competency assessment
- New focus on specialized positions (i.e., Subsea Engineers)

What will IADC be doing?



International Maritime Organisation (IMO)

- Amendments to the 2009 MODU Code
- Revision of resolution A.891 on Training of MOU personnel

What will IADC be doing?



- Focused dissemination of information on regulatory and standards-setting initiatives and relevant joint industry projects
- General dissemination of information through website and conferences

“Top 5” topics and obstacles



- Organizational Learning
- Transparency and Information Sharing
- Integration of HSE Management Systems
- Competence and Training
- Effect of New-Builds

“Top 5” topics and obstacles



Organizational Learning

- Despite the broad dissemination of information made possible by the internet, there remain many barriers to spread and uptake of information (horizontally) and to its penetration (vertically).
- Companies are challenged by information overload to effectively apply lessons learned.

“Top 5” topics and obstacles



Transparency and Information Sharing

It remains to be seen whether companies are making information on incidents more readily available, or if governments are improving their dissemination of information (this is not to say that some aren't already doing an excellent job).

“Top 5” topics and obstacles



Integration of HSE Management Systems

- API/IADC Bulletin 97 provides excellent guidance on risk-communication and integration of HSEMS; however, the guidance is focused on deepwater activities regarding U.S. regulatory objectives.
- Similar guidance should be developed in order to facilitate development of appropriate guidance for a broader perspective.

“Top 5” topics and obstacles



Competence and Training

- Post-Macondo expectation that organizations must have in place the tools to assure the competence of their personnel.
- Challenge is to develop industry-agreed standards for competence and competence.
- Influenced by “The big crew change”, an historic focus on training and competence at a business unit, national, level, and differing philosophies prioritizing efforts amongst organizations and regulatory bodies.

“Top 5” topics and obstacles



Effect of New-Builds

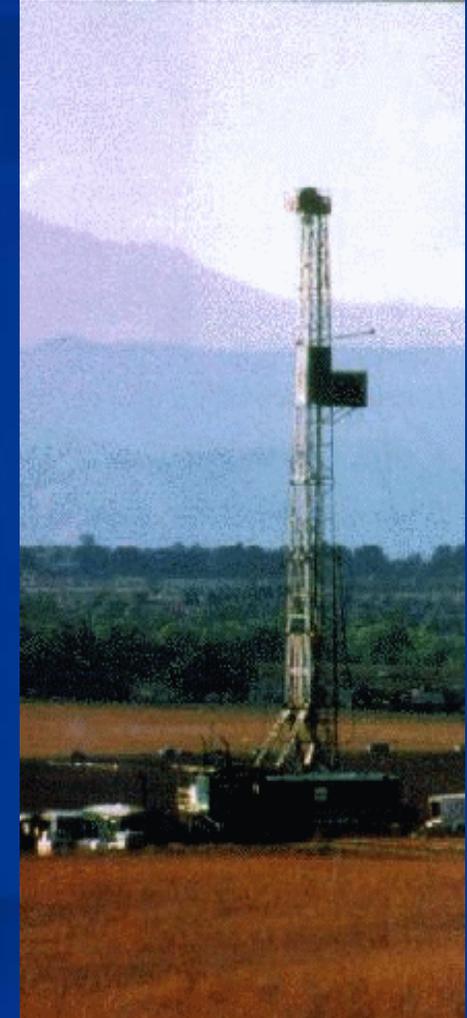
- Number of new rigs under construction, many with advanced technological capabilities, will further challenge companies to train and maintain skilled crews.
- This may reach critical levels for certain highly-specialized rig positions (i.e., Subsea Engineers).

Conclusions



- There is a lot going on – the “new normal” is still evolving
- Pending reports will incite more work
- Too early to fully understand implications of 13 September reports
- Active involvement in the many issues challenges staffing levels of many organizations – but there is a need for involvement

Global Leadership for the Drilling Industry



<http://iadc.org>